Report

OF THE

Bombay Chamber of Commerce

FOR THE YEAR 1921

(Established 22nd September 1836.)

VOLUME II.

CORRESPONDENCE.

00133591

Bombay:
PRINTED AT THE TUTORIAL PRESS.

1922

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APPENDIX A.

THE EMPIRE COTTON GROWING CORPORATION.

CHAMBER'S REPRESENTATIVE.

London (S. W. 1),
29th November 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—I have the pleasure to inform you that at a Meeting of the Privy Council held on October 11th, the King was pleased to approve the grant of a Charter incorporating the Empire Cotton Growing Corporation. This Charter,* bearing date November 1st, 1921, has now been issued, and I have pleasure in enclosing a copy of the Charter and By-Laws herewith. I shall be obliged if you will kindly acknowledge its receipt.

I am instructed to direct your attention to By-Law 22 (page 36) from which you will note that the Council named on pages 20 to 23 holds office only until the first General Meeting, which by Clause 20 of the Charter (page 27) must be held within three months of the date of the granting of the Charter. I shall be obliged, therefore, if you will kindly let me know if it is desired to re-nominate your representative on the Council; otherwise, will you kindly let me have the name and address of your fresh nominee?

This enquiry is being addressed now to all bodies having the right of nomination to the Council, so that if the replies are received before the date of the General Meeting, which it is hoped to hold in the last week of January, the new Council may be constituted immediately thereafter.—Yours faithfully,

L. G. KILLBY,
Secretary.

*Not printed.

Liverpool,
23rd November 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—The final meeting of the Empire Cotton Growing Committee was held in London on the 18th November and later on the same day the first meeting of the Administrative Council of the Empire Cotton Growing Corporation was held, at which the grant of the Charter of Incorporation was reported.

The agreement with the Board of Trade required for obtaining the Government Grant of £978,715 was laid on the table and authorisation to sign was given.

Sir James Currie was appointed Director of the Corporation and the other officers provisionally appointed were confirmed in their appointments. Suitable office accommodation was secured and an objection to having the Offices of the Corporation in London was met by the statement of the necessity of keeping in constant touch with the various Government Departments, which are interested in the Corporation and the offices of which have been valuable and helpful members of the Cotton Growing Committee.

The Reprint of the Charter of Incorporation and Sir Hector Duff's report are being forwarded under separate cover, whilst the reports of the various other officials who have been reporting on the possibilities of Cotton Growing in different parts of the Empire will be forwarded to you as soon as they are received from the printers.

The grant of the sum of money to the Corporation was contingent on a levy from the Cotton Trade of 6d per bale of 500 lbs. and expected to realise £100,000. Representatives of 84 per cent of the spindles in the country have agreed to the levy which was to be collected through the Liverpool Cotton Association and The Manchester Cotton Association.

Unfortunately a fair proportion of spinners have refused to agree to the levy and while the Liverpool Cotton Association report very few refusals, the members of the Spinners Federations report a tendency on the part of many who have agreed, to break way if the levy is not on the whole trade. The Liverpool Cotton Association was asked if they could not make it compulsory, but even by an alteration of their Memorandum

of Association, they were legally advised that such compulsory action could not be taken, besides which it could be evaded by mills outside the Federations buying direct.

The Federations are now approaching their members with a view to getting a majority recommendation to ask the Government to take Legislative action to institute a compulsory levy on the trade.

I have been unofficially informed that the Liverpool Cotton Association is strongly opposed to a levy being made compulsory by legislation, but the matter would rest entirely with the Government who are more likely to listen to the arguments for, especially when they are put forward by those who pay, than to the arguments against, advanced by those who don't pay.

The Federations, when I raised the question, would seem to have obtained the impression that Government, would introduce such legislation if desired by a large majority of those affected.

During the time I have been your representative on the Committee, I have been impressed by the active and helpful assistance given by the various Government Departments and Government Officials to the Committee and the Government interest was shown by the attendance, at a luncheon given to the retiring Chairman, Sir Henry Birchenough Bart, of the President of the Board of Trade, who in a speech not only expressed his warm interest in the Corporation, but added that it was due largely to Mr. Austen Chamberlain, when Chancellor of the Exchequer, that the sum of money, part of the profits made out of the control of Egyptian cotton, was earmarked for the Corporation.—Yours faithfully.

OSBORNE MARSHALL.

No. 2286/67.

Chamber of Commerce,
Bombay, 23rd December 1921.

The Secretary,
Empire Cotton Growing Corporation,
Board of Trade, Great George St.,
London, S. W. 1.

Dear Sir:—I am directed to acknowledge receipt of your letter of the 29th ultimo, and its accompaniment,

and in reply to state that my Committee desire to re-nominate their present representative, Mr. Osborne Marshall, to serve on the Council of the Corporation when it takes its permanent form after the first General Meeting.

2. I have acquainted Mr. Marshall of my Committee's wishes in the above regard but as the time is too short in which to ascertain his views I shall be glad if you wilt be good enough to communicate direct with him on the subject immediately on receipt of this letter.

3. I hope to be able to cable you next week with regard to the representative nominated by the Bombay and Ahmedabad Millowners' Associations, but, so far as I can tell at the moment, both bodies will agree to the re-nomination of Mr. W. H. Brady in that connection.—Yours faithfully,

C. B. SAYER,
Secretary.

No. 2285-67.
Chamber of Commerce,
Bombay, 23rd December 1921.

Osborne Marshall, Esq.,
70, The Albany, Old-Hall Street,
Liverpool.

Dear Sir:—I am directed to acknowledge receipt of your letter of the 23rd ultimo, and its accompaniments, and to thank you for the very able manner in which you have represented my Committee both on the Empire Cotton Growing Committee and also on the provisional Council of the new Corporation.

2. As my Committee have since been asked to nominate a representative to serve on the Council when it takes its permanent form after the first General Meeting, I am to say that they have expressed their desire to re-nominate you and they hope that you will be able to see your way to continue to act on their behalf. On that assumption I have asked the Secretary of the Corporation to take the necessary action in the matter as I understand that the General Meeting will be held at the end of next month.

3. My Committee will be interested to learn, in due course, the result of the negotiations with regard to the payment of the levy.—Yours faithfully,

C. B. SAYER,
Secretary.

Millbank House,
Millbank, 10th January, 1922.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—I have to thank you for your letter of the 23rd ultimo, and note that your Committee desire to re-nominate Mr. Osborne Marshall as their representative on the Council of the Corporation after the First General Meeting. I will inform Mr. Marshall that we have heard from you to this effect.

I note that I may expect shortly to receive a cable with regard to the representative nominated by the Bombay and Ahmedabad Millowners' Associations.—
Yours faithfully,

L. G. KILLBY,
Secretary.

70, The Albany Oldhall Street,
Liverpool, 11th January 1922.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—I am in receipt of your letter of 23rd December for which I thank you.

I am pleased to accept nomination as your representative on the Empire Cotton Growing Corporation and shall keep you advised of the work being done and of the result of the negotiations with regard to the payment of the levy.—Yours faithfully,

OSBORNE MARSHALL.

A. 301.

Revenue Department,
Secretariat, Fort, Bombay,
13th January 1922.

The Secretary, Chamber of Commerce,
Bombay.

Sir:—I am directed by the Government of Bombay (Transferred Departments) to invite attention to the correspondence ending with your letter No. 2444-85 dated 9th December 1920 and to state that as provided in the Royal Charter the present administrative council of the Empire Cotton Growing Corporation will go out of office by the end of the current month and it is necessary to nominate new representatives immediately to constitute the new Council. I am accordingly to request that the name and address of the representative of your Chamber may be communicated to Government with the least possible delay. I am to add that the present nominees are eligible for renomination.—I have, etc.

SHAMRAO D. MANKAR,
Under Secretary to the Government of Bombay.

No. 74/43.

Chamber of Commerce,
Bombay, 17th January 1922.

The Under Secretary to the Government of Bombay,
Revenue Department.
Bombay.

Sir:—I have the honour to acknowledge receipt of your letter, No. A.-301 of the 13th instant and in reply to state that the Chamber was addressed direct by the Empire Cotton Growing Corporation in November last in regard to the election of this Chamber's representative on the Council of the Corporation and the Chamber in reply informed the Corporation that they desired to re-nominate their present representative, Mr. Osborne Marshall.—I have etc.,

H. ROYAL,
for Secretary.

APPENDIX B-1.

VISIT TO INDIA OF HIS ROYAL HIGHNESS THE DUKE OF CONNAUGHT.

No. 292-82.

Chamber of Commerce,
Bombay, 27th January 1921.

The Members of the
Bombay Chamber of Commerce.

Gentlemen,—Some of the prominent Citizens of Bombay are subscribing to a fund for the decoration etc, of the City during the visit of His Royal Highness the Duke of Connaught and I have been asked to approach the members of the Bombay Chamber of Commerce to subscribe towards a donation to be given in the Chamber's name. It is not proposed that the Chamber should give a large sum and I think that about Rs. 20,000 would be sufficient.

2. As the visit of His Royal Highness is very near at hand will members very kindly consider this appeal as urgent and forward promptly to the Secretary such amounts as they are disposed to subscribe? I think that a suitable recognition of the visit to Bombay of one of the Royal Family should be supported by the European Commercial Community.—I am etc.,

A. H. FROOM,
Chairman.

No. 396-82.

Chamber of Commerce,
Bombay, 17th February 1921.

S. J. Gillum, Esq.,
Sheriff of Bombay,
Bombay.

Dear Sir,—I enclose herewith a cheque for Rs. 20,350/- (Rupees Twenty thousand three hundred and fifty), being the total amount received from 29 members of this Chamber in response to the Chairman's appeal on behalf of H. R. H. The Duke of Connaught's Reception Fund inaugurated by you.

2. I shall be glad to receive a formal receipt for the above amount in due course.—Yours faithfully,

C. B. SAYER,
Secretary.

The Sheriff's Office, High Court, Bombay,
17th February 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir:—I am much obliged for your cheque as per your letter of date, and desire to tender my best thanks to the Chamber of Commerce for the handsome sum which they have collected from members to be added to my fund for the decoration of the town on the occasion of the visit of H. R. H. The Duke of Connaught. Receipt is enclosed.—Yours faithfully,

S. J. GILLUM,
Sheriff of Bombay.

No. 406-82.

Chamber of Commerce,
Bombay, 18th February 1921.

The Members of the
Bombay Chamber of Commerce.

Gentlemen,—As a result of the appeal made by the Chairman in his Circular letter, No. 292-82 of the 27th ultimo, I am directed to state that the sum of Rs. 20,350 has been collected from members and no further contributions are required. A cheque for the above amount has been sent to the Sheriff as a contribution from members of the Chamber towards the fund which he is raising for the decoration of the town on the occasion of the visit of H. R. H. The Duke of Connaught.

2. I append below a copy of a letter which has been received from the Sheriff acknowledging receipt of the contribution.—I am, etc.,

C. B. SAYER,
Secretary.

LIST OF MEMBERS OF THE CHAMBER WHO SUBSCRIBED TO HIS ROYAL HIGHNESS THE DUKE OF CONNAUGHT DECORATION FUND.

	Rs.
The Bombay Company, Ltd.	1,000
The Bombay Electric Supply & Tramways Co., Ltd.	1,000
Messrs. W. H. Brady & Co., Ltd.	1,000
Messrs. David Sassoon & Co., Ltd.	1,000
Messrs. Forbes, Forbes, Campbell & Co., Ltd. ...	1,000
Messrs. James Finlay & Co., Ltd.	1,000
Messrs. W. & A. Graham & Co.	1,000
Messrs. Killick Nixon & Co.	1,000
Messrs. Mackinnon Mackenzie & Co.	1,000
Messrs. Ralli Brothers.	1,000
Messrs. Richardson & Cruddas.	1,000
Messrs. Shaw Wallace & Co.	1,000
Messrs. Tata Sons, Ltd.	1,000
Messrs. Turner Morrison & Co., ...	1,000
Messrs. Volkart Brothers.	1,000
Messrs. Wallace & Co.	1,000
The Chartered Bank of India, Australia & China.	500
Messrs. Louis Dreyfus & Co.	500
The Mercantile Bank of India Ltd.	500
The National Bank of India, Ltd.	500
The Yokohama Specie Bank.	500
Messrs. Croft Mody & Co.	300
Messrs. Mitsui Bussan Kaisha, Ltd.	300
Messrs. Nippon Menkwa Kaisha.	300
Messrs. Nippon Yusen Kaisha.	300
Messrs. Latham Abercrombie & Co.	250
The Bombay Gas Company, Ltd.	150
The Dunlop Rubber Co., Ltd.	150
Messrs. Gosho Kabushiki Kaisha, Ltd.	100
Total ... ... Rs. ...	20,350

APPENDIX B-2.

FAREWELL ADDRESS TO HIS EXCELLENCY LORD CHELMSFORD.

To His Excellency the Right Honourable Frederic John Napier Thesiger, P.C., G.M.S.I., G.C.M.G., G.M.I.E., G.B.E., Baron Chelmsford of Chelmsford, Viceroy and Governor-General of India.

May it please Your Excellency.—This is the third occasion on which we, the representatives of the Bombay Chamber of Commerce, have had the honour of addressing Your Excellency. It is just five years since we welcomed you to India as Viceroy and Governor-General. At the end of 1917 we again had the honour of an interview with Your Excellency on the historic occasion of the visit to this country of the Secretary of State for India. We are now assembled to wish Your Excellency farewell.

When it was our privilege to welcome Your Excellency on your arrival in India we prayed that Your Excellency's term of office might witness the termination of the Great War in the entire defeat of our enemies and the return of peace and progress throughout the Empire and now, on the eve of your departure from the country whose destinies you have guided through five troubled years, we feel that we may indeed congratulate Your Excellency on the share that India bore in the victorious conclusion of the War.

In accordance with the universal experience derived from history we have found once again that the evils of war do not terminate with the cessation of hostilities. As in the days of Wellington, the aftermath of war has been the economic disturbance of all countries, accompanied by political unrest and agitation, and India has not wholly escaped in this respect.

Your Excellency's term of office will ever be memorable for the institution of a system of representative Government under which the peoples of this country, among whom we number the non-official British residents, are given a larger share in the administration of public affairs. In these early days we can but

express our earnest hope that the outcome of the deliberations of the new Councils will amply fulfil the expectations of their creators and that their institution will mark the dawn of another era of peace and prosperity in India.

The gracious visit to India of His Royal Highness the Duke of Connaught to inaugurate the new Councils has set a befitting crown on the labours of Your Excellency and the Secretary of State. The kindly speeches of the illustrious son of the beloved Queen Victoria will go far to smooth the uneveness of political feelings in this country and, indeed, they have already been reflected in the calm and conciliatory debates of the Council of State and Legislative Assembly.

We appreciate to the full the difficulties which have confronted Your Excellency in the gigantic task of giving effect to the announcement of the 20th August 1917, and it must be no small source of pride to you that the last months of your residence in this country have witnessed the triumphal conclusion of the initial stages of your work. The foundations have been laid and it is now our privilege, equally with the members of the official services, to take up the burden which you have borne so long and so courageously.

In an address that we had the honour to present to one of Your Excellency's distinguished predecessors we had occasion to comment with considerable gratification upon the breaking down of the barrier that in the past had appeared to divide Government from commerce. The cordial relations, thus established between the heads of the administration and the principal Chambers of Commerce and the non-official organisations connected with trade, have continued to a still greater degree during Your Excellency's term of office. The recognition which the Chambers of Commerce of this country now enjoy at the hands of Government is, we feel, a reflection of the value of the important functions they perform in focussing non-official opinion and a happy augury of the future industrial and commercial prosperity of the country.

As a practical manifestation of Your Excellency's personal interest in the many and varied problems affecting commercial development in India we acknowledge with gratitude the manner in which you personally welcomed the delegates to the first meeting of the Associated

Chambers of Commerce of India and Ceylon held in Calcutta in January of last year. Your Excellency's speech to the delegates upon that occasion would of itself have been sufficient evidence of a keen desire to help Commerce and Industry in every branch. As representatives of the Bombay Chamber of Commerce, however, we have observed with particular gratitude the interest Your Excellency has taken in the important question of the extension of cotton cultivation in India. In our address of welcome to Your Excellency, to which we have already referred, we ventured to urge the necessity for every support being given by Government to the extension and improvement of the cotton crop of this country as a factor in making the Empire self-supporting in that commodity in days to come. The appointment of a Committee of recognised experts in cotton cultivation to investigate the position was, we feel, a ready answer to our recommendation and the acceptance by Your Excellency's administration of the measures advocated by the Indian Cotton Committee in their report, accompanied as it was by an active co-operation in the work of the Empire Cotton Growing Committee at home, marks a still further advance in the agricultural development of India.

The natural movement in India towards greater industrial expansion has gained considerable impetus during the past five years through the comprehensive survey of the industries of the country undertaken by the Industrial Commission. We have already expressed our appreciation of the manner in which the members of the Commission carried out their responsible and onerous duties but proposals, however concrete they may be, are valueless unless the same skill that led to their formulation is evidenced by those responsible for their execution. It is difficult to estimate the stimulus that the publication of the Commission's report has given to the industrial development of the country but, in the sphere of practical politics, we recognise the further advance made in the direction of co-operation between the mercantile community and the heads of the administration by the institution of a separate Department of Industries with a member of the Executive Council in charge. Commerce and Industry, with which we are most intimately concerned, are now directly represented at the seat of Government.

It only remains for us to wish Your Excellency and Lady Chelmsford a safe and pleasant voyage and every

prosperity and happiness in the homeland.—With every assurance of our respect,

In the name and on behalf of the
Members of the Bombay Chamber of Commerce,

A. H. Froom, Chairman.

H. P. W. Macnaghten, Deputy Chairman.

H. F. E. Freeland,
J. R. Abercrombie,
T. W. Dowding,
A. K. Graham,
V. A. Grantham,
A. J. Raymond,
C. H. Wilson,
} Members of the Committee.

C. B. Sayer, Secretary.

Bombay, 1st April, 1921.

His Excellency Lord Chelmsford in reply said:—

"Mr. Chairman and Gentlemen,—As your address has pointed out, this is the third occasion on which I have had the pleasure of receiving an address from the Bombay Chamber of Commerce. No one in 1916 could have foreseen the immense strides which India has made constitutionally during these past five years, and I know that when at the end of 1917 Mr. Montagu and I had an interview with your Chamber, neither of us anticipated that we should be able to bring the new Constitution into being and working so soon as 1921. It is then with very great pride and satisfaction that to-day I look upon the new Constitution not only embodied in an Act of Parliament, but tested by the experience of the first session which is just coming to a close throughout India. I could wish that the general public had expressed greater appreciation of the work done by the men who have accomplished this remarkable feat. It was one thing to outline a constitution and to lay down its principles; quite another to translate those principles into the numerous sections of an Act and the multifarious rules and regulations necessary to make the constitution a living reality. This was the work of many officials throughout India—at headquarters and in the provinces, and those officials have laid India under a deep debt of gratitude for the work which they did under conditions of great pressure and of a time-limit. I acted myself as

Member for Reforms in the Central Government, and so had ample opportunity of seeing at close quarters the admirable work which was done.

I must also express my great satisfaction at the manner in which the new Indian Legislature and the new Provincial Councils have carried through the work of the opening sessions. They have shown a sense of balance and responsibility which has been beyond all praise and if our new Constitution continues to be worked in the spirit of goodwill which has marked the opening sessions, I have full confidence in the success which will crown the new Constitution.

I am glad to accept your congratulations on the shares that India bore in the victorious conclusion of the Great War, but the problems which have faced us since the Armistice have been even more difficult than those which we had to tackle during the war itself. During the war the Government could rely on the full and absolute support of all people, even though they might differ from some of the actions which Government thought necessary to take. With however the cessation of war, criticism naturally resumed its place in our daily life, and Government could no longer expect that solid support which it had received during the war. I would however impress on people generally that many of the problems which we have to face are not peculiar to India alone, but depend upon factors which are world-wide and beyond the control of the Government of India. No one will realise this more fully than you, gentlemen, who are connected with the commerce of this country, and so are cognisant of world affairs. I am glad to learn from you that there has been a breaking-down of the barrier that in the past divided Government from commerce, and that cordial relations have not only existed but have even improved between the heads of the administration and the principal Chambers of Commerce and non-official organisations connected with trade during the past five years. This is largely due to the sympathetic and tactful handling of these questions by the retiring Member for Commerce and Industry, Sir George Barnes, and I was glad to see that at a dinner given to him by commercial men in Delhi his services to commerce in India were so warmly recognised. No one knows better than I how keenly he has thrown himself into the work of his Department and how readily he has placed his knowledge and long experience

of trade matters at the disposal of all who wished to get his advice.

The Government of India at Delhi and Simla are far removed from the centres of commercial activity, but I have always encouraged my colleagues to tour and keep in touch with the Provinces. I appreciate then your reference to the closer touch between commerce and Government during my tenure of office. It has been my constant endeavour to achieve this result.

I am afraid that at the present moment trade conditions are depressing, but I am confident that if only a method can be devised by which the countries which wish to trade with India can be enabled to find credit, all India's difficulties will pass away. The world has need of India's products, and I am sure that every effort must be made to devise a credit system under which our goods may be bought by foreign countries.

The Great War brought one good thing to India ; it forced India to take stock of her industrial resources, and the experience gained in this way, coupled with the illuminating and comprehensive survey of the industries of the country given by the Industrial Commission, ought to give a wonderful stimulus to industrial development.

I leave India then full of hope as to its future. Through our Constitutional Reforms I look forward to a better understanding and a closer co-operation between Government and non-officials.

I see a world asking for India's products and I accept no bounds to the possibilities of future trade, not only in raw material, but in the finished articles, the products of an industrial renaissance.

Through partnership in Government and trade British and Indians should come closer together and I see misunderstandings removed and unity and harmony prevail. To understand is to forgive, and there can be no greater bond of unity than that which comes from the understanding which is the result of partnership in work.

I thank you for the good wishes which you have expressed in relation to my wife and myself. I shall always watch with the greatest interest and sympathy the fortunes of India in the spheres of constitutional progress and of commercial and industrial development."

APPENDIX B-3.

ADDRESS OF WELCOME TO HIS EXCELLENCY LORD READING.

To His Excellency The Right Honourable The Earl of Reading, P.C., G.C.B., K.C.V.O., Viceroy and Governor-General of India.

May it please Your Excellency,—It is our privilege, as Members of the Bombay Chamber of Commerce, to welcome you on your arrival in this country and to congratulate you on your appointment as Viceroy of India.

It has been given to you, before occupying the highest position under the Crown, to be in turn Lord Chief Justice of England and British Ambassador in Washington; and we, as Members of the Bombay Chamber of Commerce, while appreciating to the full the benefit to India of the appointment of one who has been Lord Chief Justice, may be permitted especially to congratulate ourselves on the further experiences of Your Excellency when British Ambassador.

We have a lively remembrance of Your Excellency's unrivalled services to England at the outbreak of the War when her financial credit was seriously disturbed, and still more has India cause to be grateful to Your Excellency for the help rendered later, at a time when the silver of this country had dwindled almost to vanishing point. The sympathetic aid of the United States of America, enlisted through the skilful and patient negotiations of Your Excellency, saved India from a financial crisis and we well remember the relief felt by all when, in addition to consignments which were coming forward from America in other vessels, the Royal Indian Marine Ship "Northbrook," which had been especially diverted for the purpose, arrived in Bombay with a large cargo of silver early in June 1918.

Your Excellency's wide knowledge of international finance is, we feel, placed at the disposal of this country at a most opportune moment. India as an exporting country, is now at a disadvantage owing to the disorganisation of the world's Exchanges, and the general reduction of credit among her customers. We would respectfully draw Your Excellency's attention to

the recommendations of the Brussels Conference for the restoration of credit in Europe, and to the importance of applying them, so far as they are practicable, to the interests of India. It is our opinion that only by the operation of the laws of supply and demand, based on the restoration of a normal balance of trade in favour of India, can we hope to find a stable level for the rupee; and we trust that it will be the endeavour of Your Excellency's Government to allow those laws to take effect by the expansion of the trade of India within its natural channels and without arbitrary external interference.

The trade of Bombay is pre-eminently dependent on Railway communications with the interior of India and this Chamber has recently impressed on the Indian Railway Committee its desire that adequate funds should be made available to ensure the efficiency and development of the Railway services of India. The recommendations of the Committee will shortly be before Your Excellency's Government, and we trust that it will be found possible to give the fullest effect to any proposals that may be made in the direction of freeing the Railways from a financial control which, in our opinion, has retarded their expansion and hampered their utility.

Your Excellency's arrival in India coincides with the inauguration of a system of representative Government, which, it is the universal hope, will ensure the peace and prosperity of the country. We congratulate ourselves that Your Excellency's long experience of Parliament will be at the disposal of those responsible for the conduct of public business in the new Councils and we feel confident that, under Your Excellency's guidance, the revised constitution will fulfil to the uttermost the expectations of those who have brought it into being.

We would ask Your Excellency to express our welcome to Lady Reading also, and we trust sincerely that good health and the best fortune will attend Your Excellencies during your residence in this country.

In conclusion, it is our earnest desire, that, throughout Your Excellency's term of office, the country may be blessed with seasons of plenty and prosperity; that we may see the gradual disappearance of those troubles that are the inevitable consequence of a great War, and that we may advance yet further on the paths of justice

and civilisation for which the Empire has fought and won.—With every assurance of our respect,

In the name and on behalf of the

Members of the Bombay Chamber of Commerce,

A. H. Froom, Chairman.

H. P. W. Macnaghten, Deputy Chairman.

H. F. E. Freeland,
J. R. Abercrombie,
T. W. Dowding,
A. K. Graham,
V. A. Grantham,
A. J. Raymond,
C. H. Wilson,
} Members of the Committee.

C. B. Sayer, Secretary.

Bombay, 2nd April, 1921.

His Excellency Lord Reading in reply said:—

"Mr. Chairman and Gentlemen of the Bombay Chamber of Commerce,—On behalf of Her Excellency and myself let me express to you my warm thanks for this address of welcome, which is especially gratifying as coming from your body.

You refer to the financial circumstances affecting the position of India and to such assistance as I was able to give when Ambassador in the United States of America in relation to the serious position which at the moment had seemed to threaten India. It is but a few weeks ago in London that I took the opportunity of speaking for the first time of these events. Nothing was ever said at the time for very obvious reasons and after the war, so far as I am aware, America has never publicly referred to the arrangements between our Governments. I will only say that nothing could possibly have exceeded the goodwill when they determined to help India when we were all engaged in a great war and when America realised the vital importance that the financial position of India should be maintained and should not be impaired by insidious propaganda or by conditions for which perhaps the war itself was responsible. I am glad that I, as British Ambassador, was associated with America in that vast transaction. I can assure you that no period was more exciting during my stay in America than the five days in which we were trying to get the Congress to

pass the necessary laws to meet the situation, as you will understand, without public discussion. It was a war emergency measure, and it is noteworthy that the press of America, which at the time well understood the situation, was so anxious to be of assistance that it never mentioned a matter which lent itself so well to publicity. We watched with great anxiety the daily reports of the metallic reserve in India, and calculated the possibilities of getting ships to India in time to relieve the situation.

Gentlemen, it is natural that you should refer to the present condition of trade in India. Although I cannot suggest for one moment that it is a consolation, yet it is worthy of observation that this condition is not peculiar to India but is also to be found in other countries. Of course, this is not of much help to the merchants of India, but is a factor to be borne in mind. When we strive to arrive at the causes we must go further back and pierce deeper in examination than by the consideration of the happenings during the last 12 months in relation to the rupee. Depreciated exchange is the natural consequence of the disturbance of the balance of trade. A fair exchange in the value of the rupee of course plays a most important part in the affairs of the country. I am very interested to hear your observations, which lay a specially peculiar stress upon the importance of Government allowing trade to find its own level and the merchants to find their own way through these various disturbances of trade, which are so largely due to political causes and to the upheaval during and after the war and the consequent economic and industrial efforts, in themselves the causes of depreciated exchanges.

I quite agree that Government control of trade can never be of avail, except as a partial and temporary measure. It should be resorted to only in time of great emergency, such as war or grave external distress, to take two of the most familiar instances. This is an opinion held by merchants and traders generally, but it is not desirable to be dogmatic on this subject. There may possibly be ways in which Government can be of some assistance. I guard myself at this moment from endorsing to the full the observation that Government control can be of no use, although I agree with the general trend of the observations you make.

You further refer to the representations made by your Chamber to the Railway Committee, which is now sitting. Obviously I cannot discuss in detail a matter which is

sub judice. But I can certainly assure you that as far as my Government is concerned we shall not fail to consider your views most carefully, and I will add also the representation which you have made in the address. It is always well to remember that transport plays a very important part in trade. I am not sure that it is always fully recognised that transport difficulties in the countries that purchase the goods you export contribute to the serious and even chaotic condition of foreign exchanges. I only make these observations for the purpose of assuring you that as far as I am concerned I am quite alive to the importance of developing transport in India for the purpose of the economic and industrial prosperity of India. I shall never underrate the effect of trade prosperity upon the welfare and happiness of the vast multitudes of the people.

Very naturally at this important period you refer to the recent progressive reforms. They are an opportunity for the people of the country, through their representatives, of expressing their views, and it is a satisfaction to me to hear, as it must be to all those in favour of representative institutions, how well in a very short space of time these new Councils and generally speaking new institutions have progressed.

You may count upon my Government keeping a vigilant eye upon the proposals that emanated from the Brussels Conference and otherwise in relation to foreign credits enabling purchases to be made where immediate payment is impossible or ordinary commercial credit is too speculative.

Gentlemen, I am glad that I have had this opportunity of meeting you and receiving this address. A body such as yours can help very markedly towards contentment and happiness in India. I know that the King-Emperor and the British Empire, as well as the Government of India, can look to you and rely upon your loyalty and assistance in striving to co-operate with all who are working for the benefit and prosperity of India. In this firm belief I take leave of you to-day with grateful recollections of your welcome to me.

APPENDIX C-1.

THE ASSOCIATED CHAMBERS OF COMMERCE OF INDIA AND CEYLON.

(A) MEMBERSHIP.

No. 2-A. C.

Royal Exchange,
Calcutta, 16th June 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—I am directed to inform you that the Cochin Chamber of Commerce has proposed, and the Madras Chamber has seconded, that the Malabar Chamber of Commerce, Tellicherry be elected an additional member of the Associated Chambers of Commerce of India and Ceylon.

2. Articles (3) and (4) of the Articles of Association are as follows :—

"(3) Members.—There shall be two classes of members, namely :—

(*a*) Original Members, and (*b*) Additional Members.—

(*a*) Orginal Members.—The following Chambers of Commerce shall be the Original Members of the Association :—The Bengal Chamber of Commerce; The Bombay Chamber of Commerce; The Burma Chamber of Commerce; The Ceylon Chamber of Commerce; The Chittagong Chamber of Commerce; The Cochin Chamber of Commerce; The Cocanada Chamber of Commerce; The Karachi Chamber of Commerce; The Chamber of Commerce, Madras; The Naraingunge Chamber of Commerce; The Punjab Chamber of Commerce; The Tuticorin Chamber of Commerce; The Upper India Chamber of Commerce.

(*b*) Additional Members.—Such other Chambers of Commerce as shall be elected by a majority of Original Members after having been duly proposed and seconded by two Original Members in the manner hereinafter provided.

(4) Any Chamber of Commerce other than the Original Members which shall be a candidate for election as an Additional Member of the Association shall be proposed in writing by one and seconded by another Original Member."

3. I am now to invite you to inform me as early as possible whether your Chamber is in favour of, or is opposed to, the election of the Malabar Chamber.

4. I am also to draw your attention to Article 39 which is as follows :—

"39.—Votes of Members.—On a show of hands each of the Original Members and Additional Members entitled to vote present in person or by proxy shall have one vote, provided that no Company shall vote by proxy so long as a resolution of its Directors under the provisions of section 80 of the Indian Companies Act, 1913, is in force, and on a poll each of the Original Members shall have the following votes :—

The Bengal Chamber of Commerce...	20 votes	each.
The Bombay Chamber of Commerce.	16 „	
The Burma, Karachi, Madras and Ceylon Chambers of Commerce.	12 „	each.
The Upper India and Punjab Chambers of Commerce	8 „	„
The Chittagong, Cochin, Cocanada, Naraingunge and Tuticorin Chambers of Commerce	4 „	„

The voting power of Additional Members shall be settled from time to time by a majority of the votes of the Original Members."

5. In connection with this Article I am to invite your Chamber to inform me as to the voting power which should be, in its opinion, exercised by the Malabar Chamber in the event of that body being elected to membership.—Yours faithfully,

H. M. HAYWOOD,
Secretary.

No. 1281-45 of 1921.

Chamber of Commerce,
Bombay, 27th June 1921.

The Secretary,
The Associated Chambers of Commerce
of India and Ceylon,
Royal Exchange, Calcutta.

Dear Sir,—I am directed to acknowledge receipt of your Circular, No. 2—A. C., dated the 16th June 1921, and in reply to state that my Committee are in favour of the election of the Malabar Chamber of Commerce as an additional member of the Association.—Yours faithfully,

C. B. SAYER,
Secretary.

No. 878-A.C.

Royal Exchange,
Calcutta, 1st July 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir:—Referring to your No. 1231-45 dated 27th June, may I venture to ask if your Chamber propose to reply to the enquiry made in paragraph 5 of my No. 2-A.C. dated 16th June 1921.—Yours faithfully,

H. M. HAYWOOD,
Secretary.

No. 1344-45 of 1921.

The Chamber of Commerce,
Bombay, 5th July 1921.

The Secretary,
The Associated Chambers of Commerce
of India and Ceylon,
Royal Exchange, Calcutta.

Dear Sir,—With reference to your letter, No. 878-A.C., of the 1st instant I beg to inform you that in the absence of any particulars as to the number of members on the roll of the Malabar Chamber my Committee are unable

to express any opinion in regard to the voting power which should be exercised by that Chamber. My Committee are prepared, however, to abide by any decision that may be arrived at by the majority of the members of the Association in this respect.—Yours faithfully,

C. B. SAYER,
Secretary.

No. 938-A.C.

Royal Exchange,
Calcutta, 20th July 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir:—With reference to my Circular No. 2-A.C., dated 16th June 1921, I am now directed to inform you that the Malabar Chamber of Commerce has been elected, by the unanimous vote of the original members of the Association, to be an additional member.

2. I am also to add that the voting power to be accorded to the Malabar Chamber has been fixed, by a majority of the original members, at two votes.—Yours faithfully,

H. M. HAYWOOD,
Secretary.

APPENDIX C-2.

THE ASSOCIATED CHAMBERS OF COMMERCE OF INDIA AND CEYLON.

(B) SECOND ANNUAL GENERAL MEETING, 1922.

Summary of Proceedings.

The Annual Meeting of the Associated Chambers of Commerce of India and Ceylon was held at Calcutta on 30th and 31st January 1922. The following delegates attended the meeting:—

Bengal Chamber of Commerce—

Sir Robert Watson Smyth, M.L.C., President.
Mr. C. W. Rhodes, C.B.E., M.L.A.

Mr. C. F. Beadel, M.L.C.
„ W. L. Carey, M.L.C.
„ G. L. Colvin, C.B., C.M.G., D.S.O.
„ W. C. Currie, M.L.C.
„ R. Langford James, M.L.C.
The Hon'ble Sir Alexander Murray, C.B.E.

Bombay Chamber of Commerce—
Mr. Nigel F. Paton.

Burma Chamber of Commerce—
The Hon'ble Sir Edgar Holberton, C.B.E., Deputy President.

Ceylon Chamber of Commerce—
Mr. H. D. Thornton.

Chittagong Chamber of Commerce—
Mr. A. R. Leishman.
„ B. J. Corcoran.

Cochin Chamber of Commerce—
Sir James Simpson, M.L.C.

Karachi Chamber of Commerce—
Colonel H. J. Mahon, C.I.E.

Madras Chamber of Commerce—
Sir James Simpson, M.L.C.
Mr. A. F. Buchanan.
„ W. A. Turner.

Naraingunge Chamber of Commerce—
Mr. J. deLisle, M.L.C.

Punjab Chamber of Commerce—
Mr. R. E. Grant Govan.
„ G. V. Lewis.
„ P. Mukerjee.
Capt. E. S. Hearn.

Upper India Chamber of Commerce—
Sir Thomas Smith, Deputy President.
Mr. J. G. Ryan.

Tuticorin Chamber of Commerce—
Mr. C. T. Jacob.

The meeting was opened, on 30th January, by His EXCELLENCY THE GOVERNOR OF BENGAL, and the following visitors were present by invitation in the course of the proceedings :—

The Hon. Mr. C. A. Innes, C.S.I., C.I.E., I.C.S., Member in charge, Department of Commerce, Government of India.

The Hon. Sir Henry Wheeler, K.C.I.E., C.S.I., I.C.S., Member of the Executive Council, Government of Bengal.

The Hon. Mr. J. H. Kerr, C.S.I., C.I.E., I.C.S., Member of the Executive Council, Government of Bengal.

Sir Louis Kershaw, K.C.S.I.

Sir Malcolm Hogg.

Mr. C. W. E. Cotton, C.I.E., I.C.S., Director of Industries, Madras.

Mr. C. G. Freke, I.C.S., Offg. Director-General of Commercial Intelligence.

The following resolutions were, on the motion of the Chamber mentioned in each case, adopted by the meeting :—

1. *The Indian Income-Tax Bill, 1921.*—Bengal Chamber of Commerce—

That this Association urges on Government the necessity of recognising the equity of making provision for business losses when computing income-tax. The Royal Commission on Income Tax made full recognition of this principle and the Association recommends that it should be made permissible for an assessee to carry forward losses for a period of three years.

2. *The Indian Legislative Assembly*—Bengal Chamber of Commerce—

Whereas experience of the working of the Indian Legislative Assembly has shown that the existing arrangement, under which direct representation in that Chamber is denied to the Associated Chambers of Commerce is not only unfair, but is also unsatisfactory, restricting as it does the examination and discussion of commercial legislation ;

This Association, therefore, resolves to press strongly upon the attention of the Government of India, and the Rt. Hon'ble the Secretary of State, the claims of the Associated Chambers to direct representation and to urge that such be provided at the earliest possible moment.

3. *The Currency Question*—Karachi Chamber of Commerce—

Resolved that, in the opinion of the Associated Chambers of Commerce of India and Ceylon, no further Currency Commissions should be appointed until world conditions become less abnormal.

4. *The Hague Rules*—Bengal Chamber of Commerce—

That this Association accepts the Hague rules 1921, proposed by the Thirtieth Conference of the International Law Association, as an equitable settlement of most of the difficulties between shipowners and shippers, but that it protests against and urges the deletion of those clauses that provide for the legalisation of "Received for shipment" bills of lading.

5. *Provision of adequate railway facilities*—Madras Chamber of Commerce—

With reference to wagon shortage on the railways and consequent delays to traffic this Association is glad to record that the wagon shortage has to some extent been overcome. But there is still considerable delay in dealing with traffic due to the want of larger and more modern goods yards and marshalling yards. It is believed that much of the difficulty now experienced by the public in obtaining coal is not due so much to want of wagons but to the delays to rolling-stock passing through marshalling yards and junction stations where trains have to be re-formed. This Association, therefore, urges upon the Government of India the absolute necessity of furnishing ample funds to permit of these long-overdue works being put in hand and completed as soon as possible. To this end large new developments should be subordinated to the urgency of bringing existing facilities up to date.

6. *The Railway Committee, 1920-21*—Bengal Chamber of Commerce—

This Association strongly urges the Government of India to take action without delay upon the recommendation of the Railway Committee, 1920-21 "that the money required to put the existing railways into proper shape should be raised even at to-day's prices as fast as it can be economically spent".

This Association also endorses the recommendation of five members of the Railway Committee, namely, "that the system of State and Company management should be continued, and that Government should not be committed to a policy of State management only for all railways."

7. *The Telegraph Services*—Madras Chamber of Commerce—

With reference to the resolution adopted by this Association in annual meeting on the 25th January 1921

it is noted with regret that very little further improvement has taken place during the past year in the cable service between India and the United Kingdom, which is still very far from the pre-war standard, and that the express rates have not yet been abolished.

This Association, therefore, urges upon the Government of India the necessity for more speedy action being taken to get the cable service back to normal.

(2) This Association has further to call attention to the large number of mutilations in cables, and requests that steps be taken to enquire into the reason for these, and for their avoidance.

(3) This Association has also to call attention to the delays experienced in connection with inland telegrams and to request that the service may be speeded up.

(4) This Association desires to urge the Government of India to make more extended use of the facilities afforded by wireless telegraphy to relieve the congestion of cable traffic.

8. *Labour Legislation*—Bombay Chamber of Commerce—

That this Association expresses its fullest sympathy with any proposals of a practical nature designed to improve the conditions of labour in India, but, while recognising that full advantage should be taken of the experience gained elsewhere, considers that all legislation undertaken in India should be framed primarily with regard to the special conditions obtaining in this country.

9. *Proposed legislation for the registration and protection of Trade Unions*—Upper India Chamber of Commerce—

That the Government of India's proposals for trade union legislation require the most careful consideration, and in particular it is essential that proposals for Conciliation Boards and Boards of Arbitration be considered conjointly with the proposed Trade Union legislation.

10. *Proposed legislation for the provision of compensation to workmen*—Upper India Chamber of Commerce—

That legislation in respect of workmen's compensation should not be undertaken until a full enquiry has taken place into the whole of the conditions which would govern the grant of compensation.

11. The Ex-enemy question—Bengal Chamber of Commerce—

This Association observes that a German Consul General has arrived in Calcutta and has re-established the German consulate; and it trusts that this step does not mean that the declared policy of the Government of India to exclude German subjects from India for a period of five years is to be in any way modified.

12. The Political Situation—Bengal Chamber of Commerce—

The Associated Chambers of Commerce view with the gravest apprehension and alarm the development and extension of the Non-Co-operation and Khilafat movements, culminating as these have done in the threat of civil disobedience or, more plainly, revolution;

the Chambers endorse and support the recently declared policy of the Government of India to exert its full strength with the object of maintaining order and of enforcing the law; and

they most strongly urge that there should be no deviation from this policy, but that it should on the contrary be rigidly and impartially enforced against all, irrespective of their position, who advocate civil disobedience or sedition in any shape.

13. Proposed centralisation of the administration of the Customs Department—Bengal Chamber of Commerce—

This Association recognises the desirability of re-organising the Customs Department with a view to uniform administration and assessment in the various ports, but desires to emphasise the necessity for a careful consideration of the methods to be employed.

The following resolutions were also on the agenda paper for the meeting, and were disposed of as shown below:—

WITHDRAWN WITHOUT DISCUSSION:—

The Indian Income-Tax Bill, 1921—

1. That this Association protests against the principle of assessment for super-tax of dividends received by a company from another company whose profits have been already assessed for super-tax, and urges the Government of India to remove this injustice from the Income-Tax Bill that is now before the Indian Legislature. (*Burma Chamber*).

2. That the proposed abolition of the adjustment system, under the Income-Tax Bill, will, if given effect to, cause undoubted hardship, and that the only equitable basis of adjustment, fair to the Government and the assessee alike, will be to treat the adjustment under the Act of 1918 as if it had never been brought into being and to compute and finally adjust profits since the inauguration as if they had been assessed on the basis of the "previous year". (*Upper India Chamber*).

3. *Supply of Rolling Stock on Indian Railways*—

That this Association is of the opinion that it is essential in the interests of commerce that an adequate supply of railway wagons should be available for the transport of coal both for local requirements and for export and that the Government be urged to take steps to ensure this. (*Ceylon Chamber*).

4. *The Telephone Services*—

That this Association is of the opinion that the present unsatisfactory condition of the telephone services in Calcutta and Bombay, and other cities, is due in no small measure to the policy of the Government of India in granting licenses to the telephone companies upon terms which are not likely to ensure the maintenance of an efficient service. (*Bombay Chamber*).

WITHDRAWN AFTER DISCUSSION :—

5. *The Export Duty on Hides and Skins*—

Resolved that in the opinion of the Associated Chambers of Commerce of India and Ceylon the export duty on hides and skins should be immediately removed on the grounds that :—

(i) it has proved useless for the purposes for which it was imposed;

(ii) it is economically unsound; and

(iii) it has caused undeserved loss and suffering to all concerned, and particularly to those working in a small way in the villages throughout India. (*Karachi Chamber*).

6. *Waterways of Eastern Bengal*—

That this Association recommends to the Government of Bengal that immediate steps be taken to give effect to schemes for the dredging and canalising of the Tulsi

and Sitalakhya Khals and for the provision of dredgers for the upkeep and improvement of the waterways of Eastern Bengal. (*Naraingunge Chamber*).

7. *The Port of Chittagong*—

That in view of the fact that the Government of India propose to allocate the sum of Rs. 100 lakhs for the development of Chittagong, stating definitely that the existing system of managing the port through a body of Port Commissioners will be continued, this Association supports the proposals put forward in that connection by the Chittagong Port Commissioners and the Chittagong Chamber of Commerce, and that the Port Commissioners take over the Chittagong jetties with attendant sidings to enable them to assume full control of the port so long as it does not prejudice other ports. (*Chittagong Chamber*).

8. *The English Mail Service*—

That in the opinion of this Association the continued irregularity in the delivery of the English mails is a source of serious inconvenience to the commercial community throughout the country, and that the Government of India ought, therefore, without further delay, to endeavour to promote regularity by insisting upon the prompt re-introduction of the pre-war system of penalties for late arrivals and other irregularities. (*Bengal Chamber*).

9. *The proposed Central Stores organisation*—

This Association recommmends that the scheme which is now under the consideration of the Government of India for the establishment of a central organisation for the purchase of stores for the public services be re-considered, seeing that such State control of, and participation in, industry and commerce as it contemplates are calculated to discourage individual initiative, and to render trade conditions uncertain and artificial. (*Bengal Chamber*).

THE FOLLOWING RESOLUTION WAS DECLARED LOST ON A DIVISION.

10. *Railway Facilities*—

That this Association urges the Railway authorities to resume the practice of re-weighing coal at station of destination. (*Punjab Chamber*).

APPENDIX C-3.

BRITISH CHAMBERS OF COMMERCE IN FOREIGN COUNTRIES.

No. 2922-G.

Revenue Department,
Bombay, 28th November 1921.

The Secretary, Chamber of Commerce,
Bombay.

SUBJECT.—*Constitution of British Chambers of Commerce in foreign countries and the use of the title "British Empire Chambers of Commerce" by approved Chambers.*

Sir,—I am directed by the Governor in Council to forward for favour of the views of your Chamber a copy of Government Resolution No. 2922 dated 19th October 1921.—I have etc.

SHAMRAO D. MANKAR,
Under Secretary to the Government of Bombay.

GOVERNMENT OF BOMBAY,
REVENUE DEPARTMENT.

Resolution No. 2922.

Bombay, 19th October 1921.

Letter from the Government of India, Department of Commerce, No. 5801 dated 30th September 1921 :—

"I am directed to forward a copy of a letter and enclosures from the India Office, No. C. & R.—5173/21 dated the 22nd August 1921, on the subject of the constitution of British Chambers of Commerce in foreign countries, and the use of the title 'British Empire Chambers of Commerce' by approved Chambers, together with relevant extracts from the report of the Foreign Office Committee on British Communities Abroad, referred to therein.

"2. The Government of India would be glad to be favoured with the views of His Excellency the Governor in Council and those of the commercial public in this connection."

RESOLUTION.—Copies of the letter from the Government of India and of its accompaniments should be forwarded to the Commissioner in Sind and the Commissioner of Customs, Salt and Excise and they should be requested to favour Government with their views on the questions raised.

2. Copies should also be forwarded to the Chambers of Commerce, Bombay and Karachi, the Indian Merchants' Chamber and Bureau, Bombay, and the Bombay Presidency Trades Association for favour of their views.—By order of the Governor in Council.

SHAMRAO D. MANKAR,
Under Secretary to the Government.

Accompaniments to Resolution, Revenue Department, No. 2922, dated the 19th October 1921.

Copy of a letter from India Office, Commerce and Revenue Department, to the Government of India, Department of Commerce, No. C. & R.—5173/21 dated 22nd August 1921.

Constitution of British Chambers of Commerce in Foreign Countries, and the use of the title "British Empire Chambers of Commerce" by approved Chambers.

I am directed by the Secretary of State in Council to forward, for information, copy of the papers noted below* and to invite an expression of the views of the Government of India on the questions raised.

* From Board of Trade dated 3rd August 1921 (with enclosures) to Board of Trade dated 22nd August.

Copy of a letter from Board of Trade to the Under Secretary of State, No. 693-F. G. dated 3rd August 1921.

I am directed by the Board of Trade to transmit to you for any observations which Mr. Secretary Montagu may desire to offer a copy of a letter to the Colonial Office of the 3rd August together with a memorandum on the subject of the constitution of British Chambers of Commerce in foreign countries, and the use of the title "British Empire Chamber of Commerce" by approved Chambers.

I am to add that the report of the Foreign Office Committee on British Communities Abroad, to which reference is made in the memorandum, has been published as a Parliamentary Paper (Cmd. 672).

Letter from the Board of Trade No. 693-F.G. dated 3rd August 1921, to the Colonial Office.

I am directed by the Board of Trade to transmit to you a copy of a memorandum on the subject of the constitution of British Chambers of Commerce in foreign countries, and the use of the title "British Empire Chamber of Commerce" by approved Chambers and to request that, if Mr. Secretary Churchill sees no objection, the Dominion Governments may be consulted as to the use of that designation under the conditions indicated in the memorandum.

The report of the Foreign Office Committee on British Communities Abroad, to which reference is made in the memorandum, is already known to the Colonial Office and has been published as a Parliamentary Paper (Cmd. 672). it is suggested that a copy of the report should be communicated to the Dominion Governments when consulting them as proposed. It is understood that the Colonial Office would not have any objection, from the point of view of the Colonies, as distinct from the Dominions, to the use of the title "British Empire Chamber of Commerce" under the conditions stated.

"The British Chambers of Commerce in Foreign Countries. Use of Title "British Empire Chamber of Commerce".

His Majesty's Government have had under consideration the question of giving some special form of recognition to British Chambers of Commerce established in foreign countries which are under purely British control, represent adequately local British interests, and give evidence of financial independence and stability. Recommendations on the subject were first made by a Foreign Office Committee on British Communities Abroad which reported in March 1920. The recommendations of that Committee were considered in April last by a specially convened meeting of the representatives of British Chambers of Commerce abroad who, basing themselves on the recommendations of the Foreign Office Committee, passed the following resolutions:—

(1) That in the opinion of this meeting British Chambers of Commerce in foreign countries must

confine the privilege of full membership to British subjects. The officers, Members of Councils, and Secretary must always be British subjects.

If thought desirable foreign representatives of British firms and nationals of the country in which the Chamber of Commerce is situated who trade with the British Empire may be admitted as members or Associate Members, with restricted rights as to voting and as to the supply of information.

(2) That British Chambers of Commerce abroad are recommended to call themselves "British Empire Chambers of Commerce" as soon as they receive the assent of the Board of Trade.

2. It has hitherto been the practice of the Board of Trade to permit British Chambers of Commerce in foreign countries which comply with certain requirements to register themselves as British Chambers of Commerce under the Companies Acts, and to omit the word "Limited." His Majesty's Government are prepared to confine this privilege in future to British Chambers of Commerce in foreign countries which comply with the requirements as to British control stated in the first of the above resolutions.

3. The second resolution recommends that such Chambers of Commerce should call themselves "British Empire Chambers of Commerce". It is claimed by the representatives of many of the British Chambers of Commerce already established in foreign countries that they are open to all members of the British Empire and are ready to serve the interests of all parts of the Empire. So far as His Majesty's Government are concerned, they would be willing to permit a representative British Chamber established in a foreign country, which complies with the conditions above laid down, to register itself either as a British Chamber of Commerce or as a British Empire Chamber of Commerce, but they would be glad to know whether the Governments of the other parts of the Empire see any objection to the use of the latter designation."

Letter from the Secretary, Commerce and Revenue Department (India Office), No. C. & R.—5173-121 dated 22nd August 1921 to the Secretary, Board of Trade.

I am directed to acknowledge the receipt of your letter of 3rd August regarding the constitution of British

Chambers of Commerce in foreign countries and the use of the title " British Empire Chamber of Commerce" by approved Chambers.

In reply I am to say that the Government of India have been asked for an expression of their views on the questions raised, and that on receipt of their reply a further letter will be sent to you.

The policy to be adopted towards British Chambers of Commerce in foreign countries.

There is no doubt that in principle Chambers of Commerce afford an admirable means of keeping the commercial community together because they provide definite subjects for discussion and definite aims to be achieved. In principle too they are calculated to play a most useful part in advising and assisting British diplomatic and consular officials, out of their technical knowledge of commercial affairs. They have already become in some countries, and are destined, in our opinion, to become in all important foreign countries, a valuable part of our national trade machinery. We are agreed therefore that the foundation of a Chamber of Commerce is warmly to be encouraged wherever there is a commercial community of reasonable size, and the development of existing Chambers.

While the foregoing conclusions cannot in principle be contested, we are obliged to admit that the evidence shows a wide variety of character among British Chambers abroad which at present hinders the practical application of these conclusions.

Chambers vary in constitution, in activity, in ideals; they are most of them alike in their cordial relations with His Majesty's diplomatic and consular officials.

The main point of divergence in constitution concerns the inclusion of foreign members. Some Chambers admit foreigners to the full privileges of membership, including a seat on the Council. It would not, apparently, be unconstitutional in some Chambers for the President to be a citizen of an ex-enemy State. Other Chambers admit foreigners to membership, but give them no vote ; others admit no foreigners ; others admit foreign representatives of British firms. In our opinion a British Chamber of Commerce should confine the privileges of full membership to British subjects. Foreign representatives of British firms, or, if thought desirable, other foreigners trading with this country, might be admitted as Associate

Members without a vote, and with restricted rights to the supply of information. The governing bodies and officers should in all cases be British subjects. Chambers should be fully representative of all British commercial and industrial interests and should secure representation in Great Britain by affiliation to the Association of British Chambers of Commerce.

One of the most widely discussed questions concerning Chambers of Commerce is that of Government subsidies. We do not consider that any Chamber should be subsidised. Each Chamber should be in a position to express the independent opinion of the British commercial community ; we do not consider that independence is consistent with a Government subsidy, the amount, or continuance, of which would have to be justified by the report of the British Government representatives in the country ; nor are we convinced that the absolutely necessary expenses can be too great a burden for any community which is large enough to form a Chamber. Where more than one Chamber exists in a country, all the Chambers should be associated, with some unity of direction, and should work together.

We have stated that British Chambers vary in activity. It is obviously out of the question for His Majesty's Government to create activity from within the Chambers, but they can create it from without by impressing upon their diplomatic and consular representatives that it is most desirable that they should make as full use as possible of the experience and knowledge of the Chambers by consulting the Councils on subjects affecting British Trade. Discretion in this matter must be left to the representatives themselves as to the subjects on which they should consult the Councils and the manner and occasion of doing so. But where the Chamber of Commerce conforms to the type which we have indicated, we would recommend that it should not only have the right, which it naturally has already, to submit its opinion on commercial matters to the British representatives, but the right to have that opinion forwarded to His Majesty's Government.

Chambers which attain the ideal that we have suggested, namely, financial independence and stability, under purely British control, full representation of local British interests, and unity of direction for the country in which they are established, should be qualified for a

special charter of incorporation as an Imperial Chamber of Commerce.

* * * * *

British Chambers of Commerce.

That His Majesty's Government should, encourage the formation in foreign countries of British Chambers of Commerce fully representative of all the British interests concerned. Subsidies, however, should not be granted. It should be impressed on His Majesty's Representatives that they should make as full use as possible of the knowledge and experience of the Chambers by consulting them on subjects affecting British Trade.

In countries where the Chamber fulfils the following conditions, *viz.* :—

Financial independence and stability,

Purely British control.

Full representation of local British interests,

Unity of direction for the country in which it is established,

we recommend that it should be granted a special form of incorporation as an Imperial Chamber of Commerce.

No. 71-280.

Chamber of Commerce,
Bombay, 14th January 1922.

The Under Secretary to the Government of Bombay,
Revenue Department, Bombay.

Sir,—With reference to your letter, No. 2922-G. dated the 28th November 1921, and its accompaniment, and subsequent correspondence in the same connection, I am directed to state that as my Committee cannot understand the nature of the question upon which their views are invited they regret that they are unable to express any opinion upon the point raised.

2. If, however, the suggestion is that the name of this Chamber should be altered in any way from that of the Bombay Chamber of Commerce my Committee can only express their disapproval of the change contemplated.—I have etc.

C. B. SAYER,
Secretary.

APPENDIX C-4.

INTERNATIONAL CHAMBER OF COMMERCE.

No. 834-A.C.

The Associated Chambers of Commerce
of India and Ceylon.
Royal Exchange,
Calcutta, 2nd June 1921

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—I am directed to submit, for your information, the following copy of a letter, dated 26th May which I have addressed to the President of the Association of British Chambers of Commerce, with reference to the International Chamber. A copy of the report referred to in the letter is attached.

I also attach for your information a copy of the first number of the International Chamber of Commerce Record.—Yours faithfully,

H. M. HAYWOOD,
Secretary.

No. 830-A.C., dated Calcutta, the 26th May 1921.

From—The Secretary, Associated Chamber of Commerce of India and Ceylon.

To—Albert J. Hobson, Esq., President, the Association of British Chambers of Commerce, 14, Queen Anne's Gate, Westminster, London, S. W.-1.

The Associated Chambers of Commerce of India and Ceylon, at their annual meeting which was held in Calcutta, on the 24th and 25th January 1921, considered and discussed your two letters dated 2nd December 1920, with reference to the International Chamber of Commerce.

2. It was resolved at the meeting that a Committee consisting of the Hon'ble Sir Alexander Murray (Bengal Chamber), the Hon'ble Mr. A. H. Froom (Bombay Chamber), and the Hon'ble Mr. E. J. Holberton (Burma Chamber), should be appointed to consider the proposal that

the commercial, industrial and financial organizations of India should join the International Chamber. The Committee, thus constituted, have thoroughly discussed the question, and they have also carefully examined the rules of the International Chamber of Commerce, and the other papers concerning it that have been sent to India. They have embodied their views in a formal report, a copy of which I am now to attach for your information.

Calcutta, 26th May 1921.

The President of the
Associated Chambers of Commerce
of India and Ceylon.

Dear Sir,—At the end of last year, two letters dated 2nd December 1920 were received by the Secretary of the Associated Chambers of Commerce of India and Ceylon, from A. J. Hobson, Esq., President of the Association of British Chambers of Commerce, 14, Queen Anne's Gate, Westminster, London, S.W. 1. Although the letters were from Mr. Hobson as President of that Association, he wrote more particularly as the Vice-President of the International Chamber of Commerce, representing Great Britain, in order to bring to the notice of the Associated Chambers the formation of the International Chamber of Commerce, which took place in Paris in June 1920. In his own words, the International Chamber of Commerce has been founded by representatives of the five allied countries of Great Britain, United States, France, Belgium and Italy. It will be a confederation of the main economic forces of the countries included in its membership. All bodies are eligible for membership, whether commercial, financial or industrial organizations, both national and local, which are representative of the interests they embrace. The purpose of the International Chamber is to facilitate the commercial intercourse of nations, to secure harmony of action on all international questions affecting commerce and industry, to encourage progress and to promote peace. At the inaugural meeting in Paris, it was agreed that India and the British Dominions should be treated as separate countries so far as concerned their right to representation on the Board of Directors and at General Meetings. As a result, in addition to Great Britain, the Indian Empire and the Dominions of Canada, Australia, New Zealand and South Africa, can join the International

Chamber of Commerce, and can each be represented on the Board of Directors by two Directors. Mr. Hobson said he was very anxious that the commercial, industrial and financial organizations of the Indian Empire should join the International Chamber of Commerce, and so strengthen the representation of the British Empire at future meetings.

At the Conference of the Associated Chambers of Commerce of India and Ceylon, held in Calcutta on 25th January 1921, it was remitted to a Committee consisting of the Hon'ble Sir Alexander Murray, the Hon'ble Mr. A. H. Froom, and the Hon'ble Mr. E. J. Holberton, to consider the proposal that the commercial, industrial and financial organisations of India should join the International Chamber of Commerce. At the time of their appointment the members of this Committee were respectively President of the Bengal Chamber of Commerce, Chairman of the Bombay Chamber of Commerce and Chairman of the Burma Chamber of Commerce, and represented their Chambers in the Council of State. When attending the spring session of the Council of State at Delhi in February and March, the members of the Committee had several discussions regarding the proposal that Indian organizations should join the International Chamber of Commerce, and went carefully into the whole question.

It appears that the International Chamber of Commerce was mooted in a meeting at Atlantic City U. S. A., on 21st October 1919, which adopted the plan of a permanent organisation. According to the constitution and rules adopted at the organization meeting held in Paris in June 1920, commercial, financial and industrial organizations, both national and local, which are representative of the interests they embrace, and which are not conducted for profit, are eligible for *Organization Membership*. Individuals, Firms and Companies engaged in business activities are eligible for *Associate Membership*, which carries with it the right to attend General Meetings, but not to vote.

In each country there must be formed a National Committee representative of the industrial, financial and commercial interests of the country. In the case of India, this National Committee, when formed, would elect two Directors to represent the Indian Empire at the meetings of the International Chamber of Commerce, the head quarters of which meantime has been fixed at 33, Rue

Jean-Goujon, Paris. Mr. Hobson says it is desirable, if possible, that these gentlemen should be resident in Europe, so that they can give fairly frequent attendances in Paris to quarterly meetings, and he hopes that steps will be taken at an early date by the Chambers of Commerce and other organizations in India to form such a National Committee for the Indian Empire. So far as we can gather, National Committees have been appointed in the five countries forming the original membership of the International Chamber of Commerce, *viz.*, Belgium, France, Great Britain, Italy and the United States.

According to the constitution, the Board of Directors or Council of the International Chamber is to consist of three persons chosen from each of these five "foundation" countries, and of such other additional Directors as may be determined. The Board of Directors from among themselves select an Executive Committee, which at all times must include one representative of each of the five "foundation" countries, and the Board may delegate to the Executive Committee such powers as may be determined from time to time. The Board of Directors biennially elect for a period of two years, a President and not more than four Vice-Presidents. The President is Chairman of the Board and presides at all meetings of the International Chamber. The present President is M. Etienne Clementel, who is also President of the French National Committee, and incidentally is President of the Committee of the French *Senat* on commerce, industry and labour. A general meeting of the members of the International Chamber is to be held at least once in two years, but meantime during the reconstruction period, general meetings are to be held annually. At these meetings each *Organization* Member is entitled to be represented by a number of delegates, determined in accordance with its membership, but not to be less than one nor more than ten. Generally the number is to be determined on the basis of one delegate for each 200 members, up to a maximum of 10 delegates.

At the International head-quarters in Paris, there is a General Secretary and staff, chosen by, and subject to direction and control by, the Board of Directors. In addition there is an administrative commission, of which the General Secretary is Chairman, and which is part of the International head-quarters. Each National Committee is entitled to select a member of the administrative commission, who shall be resident at the seat of the International head-quarters and be available for con-

ferences with the General Secretary, etc. Mr. Hobson says it will be necessary for Great Britain to have permanently sitting in Paris a British representative. In the opinion of the British Directors, this representative might well represent, with their consent, not only Great Britain, but also India and the Dominions.

In each country the National Committee undertakes to establish a National Bureau to maintain constant relations with the International head-quarters and to co-operate with it. Mr. Hobson says it is proposed to have in London a Central Bureau to keep the British representative in Paris informed, and the cost of this representative and the Bureau will not be less than £3,000 per annum. He, therefore, hopes that the National Committees of India and the Dominions will each subscribe not less than £500 per annum to the British National Committee for the purpose of securing joint representation in Paris and of keeping them informed on all matters that arise.

As regards financial liability there is an entrance fee for each country. This, in the case of the Empire of India and the British Dominions, has been fixed at £1,000 each. This entrance fee is non-recurrent, and all separate countries joining hereafter will be expected to pay a similar amount. The five "foundation" countries have agreed to find substantial entrance fees, the smallest of which from Italy and Belgium amount to £1,000, and the United Kingdom is finding £2,500. *Organisation* Members pay annual subscriptions fixed at 300 francs per annum for the first delegate and 500 francs for each additional delegate to which the organization is entitled. *Associate* Members pay an annual subscription of 300 francs each. Over and above these entrance fees and subscriptions, there would also be payable a subscription by each of its members to the National Committee for the Indian Empire.

In the event of India joining the International Chamber of Commerce, therefore, it would incur the following financial liabilities :—

(1) Entrance fee £1,000.

(2) Annual subscription to the International Chamber payable by each Organization Member, that is by each Chamber or Association that becomes a Member of the National Committee, at the rate of 300 francs per annum for the first delegate, and 500 francs per annum for each additional delegate to which it is entitled.

The Bengal Chamber of Commerce, for instance, with a membership of over 200 would be entitled to two delegates, and would therefore be liable to pay a subscription of 800 francs.

(3) Annual subscription to the National Committee for the Indian Empire, at whatever rate may be fixed, to cover expenses.

(4) A subscription of £500 per annum to the British National Committee for the purpose of securing to India the benefit of the services of the British representative in Paris, and of the Central Bureau in London.

What organisations are there in India able and willing to accept financial liability to the above extent and what are the benefits likely to be secured by them in return for this expenditure? So far as commerce is concerned it may be said that India's interests are fairly well organised. Chambers of Commerce are already in existence in most of the big towns. And thirteen of the leading Chambers have formed themselves into an Association called the Associated Chambers of Commerce of India and Ceylon, the original members being the Bengal, Bombay, Burma, Karachi, Ceylon, Upper India, Madras, Punjab, Chittagong, Cochin, Coconada, Naraingunge and Tuticorin Chambers. This Association, however, has been in existence for little more than a year and it seems to us that the efforts of those responsible for the management of the Association's affairs should be directed meantime to the consolidation of the Association's work and interests in India. There are several important Indian Chambers of Commerce that are not yet members of the Associated Chambers of Commerce of India and Ceylon and until such time as they do become members we think it would be a mistake to suggest that individual Chambers should become members of the International Chamber of Commerce or of any National Committee that might be set up in India. And the same may be said of India's industrial organisations. Many of the leading industries such as cotton, jute, mining, tea, etc., have already formed Associations to protect their particular interests. Further a Federation of Indian Industries is now being formed with a view to bringing employers in India together for the consideration of broad questions of principle without interfering in any way with the internal affairs of the various industries. The constitution and rules of this Federation, however, are only now being drafted and we are of the opinion

that here also it would be a mistake to force the pace by asking individual industrial organisations to join the International Chamber of Commerce before their own organisation in India has been perfected. With regard to Financial or Banking organisations we are not aware of any Associations of this description in India, with the exception perhaps of an Exchange Banks' Association, and we are afraid it will be some time yet before any organisation can be formed in India on the lines, say, of the British Bankers' Association. Knowing, therefore, as we do the difficulties that are being experienced in India in forming commercial and industrial organisations, both local and national, representative of the interests they embrace, we see no prospect of bringing together in the near future the commercial, industrial and financial interests of India for the formation of the national organisation or Committee that is a necessary corollary to membership of the International Chamber of Commerce.

In all the circumstances, apart altogether from the question of finding the money for the required entrance fee and subscriptions which alone would be no easy task, we cannot recommend to the members of the Associated Chambers of Commerce of India and Ceylon that they should join the International Chamber of Commerce nor that they should take any steps at this stage of India's development which might directly or indirectly interfere with the efforts that are now being made to form commercial and industrial organisations, both local and national, having for their object primarily the protection of India's own particular interests.—We are, etc.

ALEX. R. MURRAY.
A. H. FROOM.
E. J. HOLBERTON.

No. 866-A. C.

The Associated Chambers of Commerce
of India and Ceylon,
Royal Exchange,
Calcutta, 30th June 1921.

The Secretary, Chamber of Commerce,
Bombay.

The National Chamber of Commerce.

Dear Sir,—In continuation of my No. 834-A. C., dated 2nd June, I am now instructed to hand you, for the

information of your Chamber, the subjoined correspondence in this connection.—Yours faithfully,

H. M. HAYWOOD,
Secretary.

I

Letter No. 2145-Com. dated Calcutta, 9th June 1921, from the Government of Bengal, Commerce Department, to the Association.

I am directed to enclose a copy of a telegram No. 3990, dated the 8th June 1921, from the Government of India regarding India's reprepresentation at the first Congress of the International Chamber of Commerce to be held in London from 27th June to 1st July next, and to request that you will intimate to this Government at an early date the views of the Associated Chambers on the question of the nomination of representatives.

Telegram dated the 8th June, 1921.

From—India Commerce, Simla.

To—Bengal Finance, Calcutta.

3990. Following received from Secretary of State *begins*, International Chamber of Commerce will hold its first Congress in London 27th June to 1st July and invites your Government to nominate representatives of India. I understand that International Chamber has already communicated with Association of Chambers in India about membership of International Chamber. Please let me know whether Association could arrange to send representatives and if not whether it would like to suggest persons now in England for me to nominate as representatives of India. Also would you like me to nominate an official delegate D. T. Chadwick. Constitution International Chamber provides Governments of countries represented in the membership may be invited to send to meeting delegates designated by Governments. Government may not have more than three such delegates. Government delegates should have the privilege of the floor subject to rules of meetings but may not vote. Association of Chambers would be able to give you further information about International Chamber *ends*. Please ascertain views of Associated Chambers of Commerce of India and Ceylon on question of nomination of representatives at forthcoming Congress.

II

Letter No. 860-A. C., dated Calcutta, 16th June, from the Association to the Government of Bengal, Commerce Department.

I am directed to acknowledge the receipt of your letter No. 2145-Com. dated 9th June 1921, with which you forward a copy of a telegram No. 3990, dated 8th June 1921, from the Government of India, regarding the representation of this country at the first Congress of the International Chamber of Commerce to be held in London from the 27th June current to 1st July.

2. In reply to the enquiry which you make I am to attach hereto, for the information of the Government, a copy of a letter. No. 830-A. C., dated 26th May 1921, (and its enclosure), from the Associated Chambers to Mr. A. J. Hobson. You will observe that the enclosure is a report of a special Committee (the Hon. Sir Alexander Murray, C.B.E, the Hon. Sir Edgar Holberton, and the Hon. Mr. A. H. Froom) appointed by the Associated Chambers to consider the question of India joining the International Chamber. The Committee reported, as you will notice, against India joining the organisation, and it may be accepted that this view will be endorsed and supported by the Indian Chambers generally. In these circumstances it is thought to be undesirable for the Associated Chambers to nominate any representatives to attend the London Congress; and, further, it is considered to be doubtful whether, in the circumstances, there is need for the appointment by the Government of India of an official delegate.

III

Demi-official letter, dated Calcutta, 9th June, from the Secretary to the Government of India, Department of Commerce to the Association.

We have just had a long wire from the Secretary of State about the first Congress of the International Chamber of Commerce. It takes place in London from the 27th June to the 1st July next. The Secretary of State has been asked to nominate representatives of India. It is understood that the International Chamber has already invited the Associated Chambers of Commerce to become Members, but we do not know whether the Associated Chambers have decided to do so. The Secretary of State has wired out to ask whether you propose to arrange to send representatives; if not, whether you would like to

suggest names of persons now in England for him to nominate as the representatives of India. He is thinking of nominating at least one official delegate which will probably be Chadwick, the Indian Trade Commissioner. Government delegates are limited to three and are allowed to speak but apparently have no vote. We have already wired this down to the Bengal Government and they may have addressed you. If so, would you let me know what your answer was?

IV

Demi-official letter No. 861, A. C., dated Calcutta, 16th June, from the Association to the Secretary to the Government of India, Commerce Department.

I have to thank you for your letter, dated 9th June.

At the meeting of Associated Chambers which was held last January it was resolved to remit the question of India joining the International Chamber to a special Committee—Sir Alexander Murray, Sir Edgar Holberton and Mr. Froom. This Committee has quite recently submitted a report, a copy of which I now send to you. The report has been forwarded to Mr. A. J. Hobson—by whom the question of India joining the International Chamber was raised—with a letter, a copy of which I also attach.

You will see that the Committee do not recommend the Associated Chambers to join the International Chamber and it may be accepted, I think, that this view will be supported by all the Indian Chambers. In the circumstances the President does not propose—and Sir Alexander Murray concurs—to take any steps in the way of appointing representatives to the Congress which is to be held in London during the current month. Indeed they would go further and suggest that, in the circumstances, it may not be advisable for the Government of India to appoint an official delegate.

If there is any further information I can give you, or any other point that you would like cleared up, I hope that you will kindly let me know.

V

Demi-official letter No. 4210, dated Simla, 24th June 1921, from the Secretary to the Government of India, Commerce Department, to the Association.

Will you kindly refer to your demi-official letter No. 861-A. C. of the 16th instant, on the subject of the

representation of the Associated Chambers of Commerce at the forthcoming First Congress of the International Chamber of Commerce..

2. In the circumstances explained therein, I am desired to say that the Government of India have informed His Majesty's Secretary of State for India that the Associated Chambers of Commerce have decided not to appoint representatives to the Congress. We have also suggested that the nomination of an official delegate to the Congress should be reconsidered.

No. 1337-62.

Chamber of Commerce,
Bombay, 4th July 1921.

The Secretary,
The Associated Chambers of Commerce
of India and Ceylon.
Royal Exchange,
Calcutta.

Dear Sir,—I beg to acknowledge receipt of your letter, No. 866-A.C., dated the 30th June 1921, forwarding some correspondence with reference to the question of the Associated Chambers nominating delegates to the first Congress of the International Chamber of Commerce.—Yours faithfully,

C. B. SAYER,
Secretary.

No. 880-A.C.

The Associated Chambers of Commerce
of India & Ceylon
Royal Exchange,
Calcutta, 5th July 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—In continuation of my No. 866-A.C. dated 30th June 1921, I am now directed to inform you that the following letter, dated 15th June 1921, has been received from Mr. Albert J. Hobson, Chairman of the British National Committee of the International Chamber of Commerce :—

"I am in receipt of your letter No. 830-A.C. of the 26th ultimo.

"I have learnt with much regret that it does not at present appear practicable for India to join the International Chamber of Commerce but I trust that when the development of local and national commercial and industrial organizations within the Indian Empire has proceeded further that these bodies will then find it possible to join in the work of the International Chamber.

"I should like to express my great appreciation of the time and trouble which Sir Alexander Murray, Mr. A. H. Froom and Mr. E. J. Holberton have given to the consideration of the matter."—Yours faithfully,

H. M. HAYWOOD,
Secretary.

APPENDIX D.

SUPPLY OF GOVERNMENT PUBLICATIONS.

Allahabad Bank Buildings,
Apollo Street,
Bombay, 25th August 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir.—We have previously brought to your notice various delays and irregularities in connection with the Government Printing Depots in Simla and Calcutta and the difficulty experienced in obtaining copies of Government publications. We now write to say that we addressed the Superintendents of Government Printing both at Simla and at Calcutta in letters dated 3rd instant, asking to be supplied with copies of the report of the Income Tax Committee, a reference to which appeared in the press at the end of July or early in August.

In reply a Post Card No. 1180 of the 10th August, has been received from the Superintendent at Simla to the effect that "the publication asked for is not available here. Reference is suggested to the Superintendent, Government Printing, Calcutta."

The reply to our letter of the 3rd instant from the Superintendent, Government Printing, Calcutta, was No. 7896 B, dated the 16th instant, and was as follows :

"The publication asked for is not available. Indian "Income Tax Act No. VII of 1918 and amending Act

"No. XVII and XLIV of 1920 are available and a copy "can be supplied per V. P. P. if required."

It therefore appears to be impossible for the public to obtain copies of the report of the Committee, and obviously copies of the Income Tax Acts are not a suitable substitute. Perhaps the Committe may desire to address Government again on this subject of Government publications. If the report of the Income Tax Committee has been printed in the Government Gazette, we should have thought the Superintendents of Government Printing would have been aware of this and have forwarded us a copy.—Your faithfully,

A. F. FERGUSON & Co.

No. 1676-938.

Chamber of Commerce,
Bombay, 7th September 1921.

The Secretary to the Government of India,
Department of Commerce, Simla.

Sir,—I directed to advert to a letter in the Department of Commerce and Industry, No. 5462, dated the 22nd July 1919, and previous correspondence, on the subject of the difficulty experienced by members of the Mercantile Community and the general public in obtaining copies of Government Publications.

2 In the above connection I am to state that a specific case has recently been represented to my Committee in connection with the recently published Report of the All India Income Tax Committee. A member of the Chamber addressed both the Superintendents of Government Printing, Simla and Calcutta, respectively, on the 3rd ultimo and asked for copies of the report in question. The reply from Simla took the form of a post-card, dated the 10th idem, to the effect that the publication was not available in that office. The reply from Calcutta was dated the 16th. idem and to the same effect. In the latter case, however, the Income Tax Act, No. VII of 1918 and the amending Acts, Nos, XVII and XLIV of 1920, were stated to be available and were for supply if required. The suitability, however, of the Acts in question as a substitute for the Committee's Report is open to question and as the Report appeared in the issue of the Gazette of India, dated the 30th July 1921, a

more satisfactory reply would have been a reference to that fact, which must have been within the cognizance of the Superintendent at Simla at any rate. Similar instances have occurred recently in which firms asking to be supplied with copies of recently published Acts and Notifications, in many cases after the Acts in question have become operative, have merely been informed that copies of the same are not available.

3. In such cases I am to submit for the consideration of Government the desirability of instructions being issued to the Superintendents of Government Printing to the effect that, if they are unable to furnish applicants with copies of the publications they require in any other form, they should invite references to the issues of the Gazettes in which the Acts in question have been printed in the first instance and, if possible, supply the applicants with copies of the same. The adoption of such a procedure should not admit of any great difficulty and would be greatly appreciated by members of the Mercantile Community, and the public generally, whose requirements in that connection are not sufficient to justify their becoming regular subscribers to the Gazettes.—I have etc,

C. B. SAYER,
Secretary.

Copy forwarded with compliments to Messrs. A. F. Ferguson & Co., with reference to their letter of the 25th ultimo in the same connection. They will be advised of the result of the Committee's representation in the course.

C. B. SAYER,
Secretary.

No. 5513.

Government of India,
Department of Commerce,
Simla, 13th September 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed to acknowledge the receipt of your letter No. 1676-238, dated the 7th September 1921. A reply will follow.—I have etc.

(Sd.) ILLEGIBLE.
for Under Secretary to the Government of India.

No. A-122.

Government of India
Department of Industries,
Simla, 24th October 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—In continuation of the letter from the Department of Commerce No. 5513, dated the 13th September 1921, I am directed to address you on the subject of the complaint made in your letter No. 1676-238, dated the 7th September 1921, about the difficulty experienced by a member of your Chamber in obtaining copies of the Report of the All-India Income Tax Committee. The delay in replying to your letter referred to above is due to the necessity for making enquiries about the particular case mentioned therein.

2. The Report in question was published in the Gazette of India and copies of it were supplied to all Chambers of Commerce. It was not separately issued for sale to the public. The Superintendent, Government Printing, India, Calcutta, was therefore not in a position to supply it and the reply given by him to the member of your Chamber who asked for the publication was the only possible reply in the circumstances. It however appears that on receipt of a second reference from the member in question the Superintendent of the Government Central Branch Press, Simla, sent him on the 31st August 1921, 3 copies of the Gazette of India containing the Report.

3. It is regretted that a member of your Chamber was put to inconvenience but I am to explain that it is difficult for the Superintendent, Government Printing, India, to keep himself informed of all Acts, notifications, etc., which have appeared in the Gazette. The question is, however, being further examined with a view to minimising as far as possible occasions for complaints of this nature.

4. I am to add that applications for Government Publications should invariably be addressed to the Superintendent, Government Printing, India, Calcutta.—I have etc.

F. D. ASCOLI,
Deputy Secretary to the Government of India.

No. 2070-238.

Chamber of Commerce,
Bombay, 15th November 1921.

The Deputy Secretary to the Government of India,
Department of Industries,
Delhi.

Sir :—I am directed to acknowledge receipt of your letter, No. A-122, dated Simla the 24th October 1921, and to state that my Committee are glad to note that the question of the procedure adopted in connection with the supply of Government publications to members of the general public is being further examined with a view to minimise the necessity for complaint in that respect.

2. At the same time my Committee desire me to express their hope that the contemplated revision will lead to a decided change in the attitude of the Government of India towards the whole question as at present my Committee can only consider the position generally as extremely unsatisfactory. Nor can my Committee understand why it should be difficult for the Superintendent, Government Printing, India to keep himself informed of all Acts, Notifications etc. which have appeared in the Gazette as they presume that some form of index to such papers is available for reference if required. If, however, some such form of index is not in existence at the present time my Committee consider that one should be made at the earliest possible date and that copies should not only be made available to all the officers concerned but also to all Chambers of Commerce and other bodies to whom application is usually made in the first instance for information with regard to the publications in question.

3. The institution of such an index and the adoption of the proceedure indicated in the previous paragraph will go far, in the opinion of my Committee, to minimise the inconvenience at present experienced by mercantile firms in obtaining copies of Government publications and other information of interest to them in the same connection.—I have etc.,

C. B. SAYER,
Secretary.

APPENDIX E-1.

INTERNATIONAL CREDITS.

League of Nations,
Trafalgar House, Waterloo Place,
London, S.W. 1. 10th May 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—I enclose for your information 5 copies of a pamphlet explaining the International Credits Scheme, of which I have been appointed Organiser under the League of Nations.

I hope this pamphlet may be brought to the notice of all your members interested in Export Trade, and I shall be glad to receive their comments or practical suggestions, and to give information on points requiring further explanation.

I would ask you in circulating the pamphlet to emphasis the following point. No practical steps can be taken until the governments of "importing countries" apply for an issue of bonds. For this purpose it is important to stimulate a demand for such a step among traders in those countries. Exporters in this country can assist greatly in creating such a demand by impressing on any foreign importer, who cannot obtain the necessary credit without providing some special security, that this scheme provides his best chance of obtaining financial facilities on reasonable terms. By doing this, exporters in this country, who wish to take advantage of the scheme, can best help to accelerate its inauguration.

I have referred, in the above sentence, only to the case of an importer "who cannot obtain the necessary credit without providing some special security". I wish to make it clear that I am in no way advocating the adoption of this scheme in cases where traders are able to do business, by the ordinary methods, without it. On the other hand I wish its value to be appreciated when this is not possible.—Yours faithfully,

DRUMMOND DRUMMOND FRASER.

No. 1255-196.

Chamber of Commerce,
Bombay, 16th June 1921.

Sir Drummond Drummond Fraser, K. B. E.,
Organiser, International Credits,
Trafalgar House, Waterloo Place,
London, S.W. 1

Dear Sir,—I am desired to acknowledge receipt of your letter of the 10th ultimo. together with five copies of the pamphlet explaining the International Credits Scheme. and to state that it appears to my Committee that the discussion of details and even the general approval of any such scheme is beyond the scope of the Indian branches of British Export Houses. It may be assumed that the re-imbursement of every sale to the continent, even when Indian houses are principals and not branches of a London firm, is arranged in London with discounting and accepting houses, whose business it is, wherever sales may be effected, to use their knowledge of international finance to provide the necessary credits. It has never been found possible for exporting firms in India to dispense with the services of these London houses.

My Committee feel, therefore, that is beyond the scope of firms in India to express an opinion of any value on the establishment of any system of International Credit which must be arranged for them by their financial representatives in London.—Yours faithfully,

C. B. SAYER,
Secretary.

APPENDIX E-2.

REHABILITATION OF GOVERNMENT SECURITIES.

Office of the Government Securities Committee,
C/o the Deputy Controller of Currency,
New Customs House, Ballard Road,
Bombay, the 13th May 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir—I have the honour to state for the information of your Chamber that the Government of India have

appointed a Committee in Bombay to advise them as to the action to be taken in order to give effect to the Resolution regarding the rehabilitation of Government Securities which was adopted by the Council of State in February last, and I am directed by the Committee which is now sitting in Bombay to request that you will be so good as to communicate the views of your Chamber on the subject as soon as possible for their consideration. It will be a great convenience if your reply can be sent so as to reach me before the end of this month or earlier if possible. To assist in the formulation of your views, I enclose for your perusal and return copies of the debates in the Council of State to which reference has been made above, and of the debates on the same question in the Legislative Assembly on the 2nd March 1921.

2. The Committee will be glad if your Chamber will also depute your Finance Sub-Committee to appear before them and explain personally the views put forward on behalf of your Chamber. I request that an intimation may be sent of the earliest date on which your Sub-Committee will be able to appear before the Committee.—I have etc.

A. V. V. AIYAR.
Secretary.

PRESS COMMUNIQUE.

The Government of India have appointed a Committee in Bombay under the chairmanship of Mr. Dadiba Merwanjee Dalal, C.I.E., to advise them as to the action to be taken in order to give effect to the following Resolution regarding the rehabilitation of Government securities which was adopted by the Council of State on the 23rd February last:—

" This Council recommends to the Governor General in Council that the financial policy of Government be so directed as to ensure the early rehabilitation of Government securities, with due regard to the security of funding the temporary debt and to the provision of capital expenditure for productive purposes."

Any person or association wishing to place his or its views before the Committee is requested to communicate the same in writing to the Secretary to the Government Securities Committee. C/o The Deputy Controller of the Currency, New Custom House, Ballard Road, Bombay.

Bombay, 19th May 1921.

No. 1088-181.

Chamber of Commerce,
Bombay, 27th May 1921.

The Secretary to the Government Securities Committee,
C/o Deputy Controller of Currency,
New Custom House,
Ballard Road.

Sir,—I have the honour to acknowledge receipt of your letter of the 15th instant asking for the views of this Chamber on the question of the rehabilitation of Government Securities.

In reply I am to state that my Committee are of opinion that it is not desirable that any attempt should be made at present to improve the position of the 3 and 3½ per cents for the reasons given by the Hon'ble Mr. W. M. Hailey in his speech in the Legislative Assembly on 2nd March 1921 on the motion to raise the rate of interest on these securities to 4½%.

My Committee do not consider that any other means of rehabilitating these securities, except by directly raising the rate of interest, is feasible. The idea in the minds of those raising this agitation appears to be that holders of the 3 and 3½ per cents should get some relief at the expense of Government, or, in other words, the general body of tax payers. They would not, my Committee imagine, be satisfied with any conversion scheme under which a holder would receive for his paper of, say, Rs. 100 face value, a new note for a smaller amount on which he would receive a higher rate of interest. Nor would they approve any scheme under which a holder would have to pay a lump sum in cash and then receive the higher rate of interest on the same face value as before. Either of the above schemes would without doubt, under present circumstances, be strongly opposed. Government cannot, however, at present afford to relieve the holders of 3 or 3½ per cents at the expense of the general tax payer, even if it were fair to do so, which, my Committee maintain, it is not. In any case any relief given could not be distributed on an equitable basis. As Mr. Hailey said in the Legislative Assembly "you cannot make a house to house enquiry in order to find out at what rate each holder bought his stock and how far he deserves or requires relief." My Committee think, therefore, to quote the Hon'ble Mr. Chettiyar when

speaking in the Council of State on the 23rd February 1921 on the Hon'ble Sir Maneckji Dadabhoy's Resolution "we should bear this present depreciation as a necessary evil and wait for the day when things seem more hopeful."

My Committee think that the best thing Government can do in the meantime to render things " more hopeful" is to use every endeavour to strengthen their general credit by utilising any spare funds of which they may find themselves possessed during the next few years in reducing their floating debt as far as possible. The recent decision to increase the sinking funds for the terminable 5% loans is, my Committee are of opinion, a step in the right direction.

If, however, a beginning must be made at once my Committee would suggest, though reluctantly, the conversion of 3 per cents into 3½ per cents for the arithmetically equivalent amount. The income from the investment would be the same, but the party would hold a more negotiable security. The "house to house enquiry" objection would have, my Committee think, less weight in the case of the 3 per cents, as this Paper has not, my Committee understand, changed hands in recent years to anything like the same extent as the 3½ per cents and the majority of the holders are probably pre-war ones.

A representative of the Finance Sub-Committee will be prepared to appear before your Committee on your invitation.—I have etc.,

H. ROYAL,
for Secretary.

Bombay, 9th September 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I have the honour to forward herewith a copy of a communique dated the 19th September 1921 issued by the Government of India regarding the reports of the two Committees appointed in May last to consider the rehabilitation of Government securities together with a copy of the report of each of the two Committees.—I have etc.

H. DENNING,
Dy. Controller of the Currency.

COMMUNIQUE.

In a Communique, dated the 21st May 1921, the appointment was announced of two Committees, at Calcutta and Bombay, respectively, to advise Government generally on the question of the rehabilitation of Government securities, and in particular how best to give effect to the following resolution which was passed by the Council of State on February 23rd, 1921 :—

" This Council recommends to the Governor General in Council that the financial policy of Government be so directed as to ensure the early rehabilitation of Government securities, with due regard to the necessity of funding the temporary debt and to the provision of capital expenditure for productive purposes."

2. The reports of these two Committees have now been received and are published herewith* for general information. Both the Committees are opposed to any concessions (such as the raising of the rate of interest) which would benefit the holders of these securities at the expense of the general tax-payer, though the Calcutta Committee has made a minor suggestion to the effect that the rate of income-tax thereon be standardized. The Calcutta Committee's main recommendation is that a terminable loan with a long currency, and carrying interest at 5 per cent. free of income-tax (issued, if necessary, at a discount) should form the base loan for Government's future borrowing programme, and that holders of 3, 3½ and 4 per cent. securities should be allowed to convert their holdings into the new loan on payment of a cash subscription, the actual terms being left for settlement at the time the conversion is offered, having regard to the market quotations of the time. The main recommendation of the Bombay Committee is that Government should publicly announce that it would pay off the 3 and 3½ per cent. loans between the 45th and 50th year from now and that it should undertake to purchase by public tender and to cancel each year, two per cent. of the amount of such securities outstanding at the beginning of the year, such purchases to be effected during the course of the loan operations of the year.

3. The recommendations are thus closely bound up with the whole question of Government's future borrowing operations, which is a matter now under the Government of India's consideration. The actual policy to be followed during the course of, say, the next ten

* Not Printed.

years must depend mainly upon the volume of borrowing which will be necessary, having regard both to the maturing liabilities and to the amount of money which have to be provided from loan funds for capital expenditure on railways and irrigation and on the various objects of development in which the Provincial Governments are more particularly concerned. The former liabilities are known; up to and including the financial year 1931-32 the total amount of maturing rupee debt is roughly 116 crores, apart from the Treasury Bills held by the public the amount of which at the commencement of the present financial year was 43¾ crores. The extent of the liabilities arising from new capital expenditure depends upon the policy which the Imperial and Provincial legislatures may respectively decide to endorse as regards capital outlay upon railways and other objects. The Provincial Governments have already been asked to lay before their legislatures for approval any capital projects which they propose should be financed from loan funds in the near future. As regards railways, it is understood that the Report of the Railway Committee, a summary of which has been published, contains recommendations as to the amount of capital expenditure which should be annually devoted to railway purposes. It may be found desirable, after the publication in India of the full Report, to obtain the approval of the Legislative Assembly to a definite programme of railway expenditure during a certain period of years.

4. For the above reasons the Government of India are not yet in a position to state the precise action that they propose to take in the light of the recommendations of these two Committees. Those recommendations will, however, be carefully considered, and a decision arrived at thereon, as soon as the future liabilities in the matter of new capital expenditure have become sufficiently determined to enable Government to decide upon its borrowing policy for the future.

5. The Government of India have expressed to the Chairmen and Members of the two Committees their appreciation of their work and their thanks for the time and labour expended in considering the problem before them and in formulating their recommendations.

Simla, 19th September 1921.

APPENDIX E-3.

THE GOVERNMENT OF INDIA STERLING LOAN, 1921.

PRESS COMMUNIQUE.

The Secretary of State is issuing in London to-day the prospectus of a 7 per cent. Sterling loan for £ 7,500,000. The loan will be issued in the form of Stock or Bonds at par to be redeemed in any case at par on October 5th 1931 or at 102 on any half yearly interest date from October 5th 1926 to April 5th 1931 at Government option by 3 months' notice. Stock or Bonds will be convertible at holder's option into 3 per cent. India stock as follows:—

On October 5th 1921 On April 5th 1922 On October 5th 1922	£ 202 Sterling India Stock Per £ 100 new loan
On April 5th 1922 On October 5th 1923	£ 200 India stock per £ 100 new loan
On April 5th 1924 On October 5th 1924	£ 198 India stock per £ 100 new loan

A further communique will be issued shortly regarding the dates between which subscriptions will be open.

Simla, 20th April 1921.

No. 926-159.

Chamber of Commerce,
Bombay, 5th May 1921.

The Secretary to the Government of India,
Finance Department,
Simla.

Sir,—I am directed by my Committee to address you on the subject of the Sterling Loan for £ 7,500,000 recently issued in London by the Secretary of State for India.

2. While my Committee do not feel competent to criticise the terms of a loan issued in London, they cannot believe that the conversional rights offered in connection with the new Loan are in the best interests of India. They desire, however, chiefly to comment on

the policy of issuing a 7% Sterling Loan at the present time, seeing that the Government of India is expected to borrow largely in India within the next few months. The time chosen appears to them so inopportune that they can hardly imagine that there has been due collaboration between the Secretary of State and the Indian Government in this instance.

3. I have, therefore, the honour to enquire whether the Finance Department of the Government of India were in fact consulted prior to the issue of the Loan as to

1. The amount of the Loan;
2. The interest offered;
3. The conversional rights;
4. The date of issue :—I have etc.

H. ROYAL,
for Secretary.

No. 1529-F.

Government of India,
Finance Department,
Simla, the 17th May 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed to reply to your letter No. 926-159, dated the 5th May 1921 in which your Committee enquire whether the Government of India were consulted by the Secretary of State regarding the amount, date of issue and other details of the recent sterling loan. The answer to your Committee's question is in the negative. I am to enclose a copy of a letter dated the 17th May which has been addressed to the Indian Merchants' Chamber and Bureau, Bombay, in reply to a lengthy representation from that body regarding the sterling loan. Your Committee will obtain from that letter a general idea of the conditions which have existed recently in the London money market. Those conditions did not, on this occasion, admit of previous consultation with the Government of India, as the precise moment of issue and the final settlement of the terms had to be deferred until the exact moment arrived when conditions appeared to make flotation possible, and it would have

been very undesirable to let that favourable moment pass by, as might have been the case if the matter were delayed in order to make a reference to India. It is, however, the intention of the Secretary of State to consult the Government of India, so far as is practicable, before taking any final decision in such a matter; but similar obstacles to effective consultation are always liable to recur.—I have etc.

E. M. COOK,
Secretary to the Government of India.

No. 1528-F.

Simla, the 17th May 1921.

The Secretary,
Indian Merchants' Chamber and Bureau,
Bombay.

Sir,—I am directed to reply to your letter of the 3rd May conveying a further representation from your Committee regarding the recent sterling loan of £7½ millions. Your letter deals at length with the Government of India's reply, contained in my letter of April 25th, to your Committee's previous representation; it traverses the justice or relevance of the considerations therein brought to your Committee's notice; and it adduces fresh reasons in support of your Committee's contention that the terms of the sterling loan were unduly burdensome to the Indian tax-payer and that the circumstances in which the issue was made were unfair to Indian investors.

2. The Government of India do not propose to enter into the minor matters of controversy contained in your letter, such as your speculations as to the future position of London as a cheap money market, or your views as to the impotence of the legislature as now constituted. These are matters of opinion, and do not in any case affect the matter immediately at issue. They will, therefore, confine themselves to dealing generally with the two complaints which your Committee have repeated regarding the loan, namely, (1) that, as proved by the fact that the loan was very largely over-subscribed, the terms were unduly favourable to those investors who were fortunate enough to have an opportunity of subscribing, and correspondingly unfavourable to India; and (2) that the loan was issued in such a way that Indian investors had no opportunity to subscribe.

3. As regards the first point, you claim that, judging from the results of the loan, and from the fact that immediately after issue its price went to a premium, the sum asked for could have been obtained on terms more favourable to India. The Government of India assume that your Committee do not intend to commit themselves to the general statement that, when a capital issue is over-subscribed, even heavily, the fact necessarily connotes either lack of judgment on the part of the authorities making the issue or any deliberate disregard on their part of the interests of those on whose behalf they are acting; in commercial circles such a result is not infrequently regarded rather as a matter for congratulation than otherwise. In my letter of April the 25th it was stated that the Government of India had no doubt that the Secretary of State had strong reasons for the course adopted; they are now in a position to comply with your Committee's request for enlightenment as to what those reasons were and to summarise the main considerations which the Secretary of State and his advisers had in mind when they arrived at a decision upon the terms of the loan and the exact date of its flotation. They invite attention to the problem which those authorities had to face.

4. The last direct issue of a sterling loan by the Secretary of State took place in 1912, since when the monetary and political conditions in the United Kingdom have entirely changed. While, therefore, the terms of the recent loan were of course settled by the Secretary of State in consultation with those best qualified to advise, no clear guidance was available as to the reception that might await an issue by India. In view of the lapse of time since the last issue of India stock, and the certainty that India would have for some time to be a borrower in London for railway purposes, it seemed to the Secretary of State of the highest importance that this first appeal to the London market after the war should not fall flat. The fluctuating industrial conditions which prevailed at the time of the issue made it, moreover, especially difficult to gauge the market attitude on this occasion. It is true, as pointed out by your Committee, that various Corporations had been able to raise money in recent months on a 6 per cent basis at 95½ (a yield of about 6¼ plus improvement on maturity), but individually these were of relatively small amounts, and latterly under-writers had been left with a good share of the issues. As matters turned out, it is clear

that the Secretary of State was fortunate in that his own issue was actually effected at a specially favourable moment.

5. It has been pointed out above that, so far as actual experience went, there was no real guidance as to the state of India's credit in the London money market. There were however other considerations which ordinary prudence required should be taken into account, and which pointed to the need for caution. The most important of these was the view which British investors might take of possible developments in India as a result of certain political movements in this country. Those persons who are in close and accurate touch therewith, may be able to estimate at its true worth the effect of such movements upon the financial stability of India. But the British investing public at large is hardly in a position to form an equally accurate judgment. Misconceptions on such matters easily arise, and are difficult to remove; nor is the task of removing them rendered easier by the existence of an alarmist section in England which, though taking an interest in Indian affairs, has an incorrect appreciation of the trend of present events in India. If a considerable body of Indian public men, otherwise well informed, could actually persuade themselves that (as asserted in the last paragraph of your letter) the recent currency policy was introduced by the Secretary of State and his advisers, and accepted by the Government of India, purely to aid the British Exchequer or British financial interests, it would not be astonishing if the British investor, on his side, were affected by reports of the declared intention of certain extremist politicians in India to paralyse the administration of the country. Nor was it possible that the resolutions passed by various associations in India, regarding the rate of exchange below which contracts in respect of imports should not be settled, should fail to give rise to impressions in English investing circles that there was, in some quarters, a tendency to treat legal liabilities as open to general repudiation when circumstances rendered it convenient to do so. Your Committee are aware, from the various public pronouncements that have been made on this matter, that the Government of India do not wish to take a part with either side in the disputes which have taken place during recent months regarding import contracts: they regard the matter as one for settlement between the individuals concerned, and consider that the matter should be settled in consonance with

ordinary commercial practice. But it was clearly necessary to take into account the impressions rightly or wrongly created by the public discussions on these events, particularly in a great financial centre such as London, the whole structure of which is based upon credit and upon the sanctity of commercial contracts.

6. It is an easy task to demonstrate, after the event, that the effect of those factors was over-estimated. But the Government of India think that they may justly point to the very great responsibility which the Secretary of State and his advisers would have incurred if they had so misjudged the situation as to issue the loan on such terms as to invite failure. It would be difficult to exaggerate the damage to India's credit in such an event; and in the existing conditions of the London money market, the margin in terms that spell success or failure has been extremely narrow. As things have turned out, the real measure of India's credit now is to be found in the fact that the recent loan was heavily over-subscribed, and this should facilitate her ability henceforth to obtain in the London money market the money she requires on more favourable terms.

7. It may be objected that, admitting the force of the considerations mentioned above, the very uncertainty regarding the fate which might await an issue by India in London should have led to the conclusion that it would be wiser not to resort to sterling borrowing at all, until it was certain that this could be effected at a rate no more burdensome to the Indian taxpayer than that at which rupee loans can be raised. The very great expansion which has taken place since 1914 in the ability of India to raise State loans within the country renders it much less necessary, it may be urged, for her to be dependent upon the London money market for her borrowings. The Government of India are unable to accept such a view. They admit that times have changed considerably since the days when the annual rupee loan was limited to 2 or 3 crores, and when the major part of India's borrowings took place in London. But while, owing to the great commercial prosperity which as compared with most other nations India has enjoyed during the war, and to the improved organisation of her money markets, her money power has greatly increased, so also have her necessities. Your Committee do not need to be reminded of the urgent necessity for reducing the floating debt to more manageable proportions and also

the fiduciary portion of the currency issue, in order that India's financial position may be so strengthened as to allow her to reap the fullest possible benefit when international trade recovers from its present stagnation. In order, however, that she may reap the full advantage which her position as an exporter of raw produce promises, it is essential that her internal development should not be so restricted as to react upon her trade. The funding of the floating debt and the deflation of the currency are essential preliminaries to the establishment of her finances in a thoroughly sound condition. But it is not possible for capital expenditure on the country's development, more particularly as regards the means of transport, to wait until those objects have been attained. Your Committee and the business public as a whole are fully cognisant of the very pressing need for large capital expenditure upon Indian Railways. The deterioration which has occurred in their efficiency during the war has to be made up ; and in the opinion of those best qualified to judge, the sums needed to enable the Railways to meet with bare efficiency the expanding needs of India's internal and external trade, are far in excess of what the Government of India are likely to be able to provide from their capital resources for some years, at any rate until progress has been made in funding the legacy of war indebtedness.

8. It follows, therefore, that for the present it would be difficult to place any limit upon the amount of new resources which can profitably be employed. On the basis of the current year's capital programme, the inadequacy of which to meet railway requirements the Government of India themselves admit, the new capital resources required were estimated in the current year's budget at 20 crores, of which it was hoped to raise 15 crores in India and £5 million (taking the rupee at 2 shillings) in London. But, as the Finance Member pointed out in his Budget speech, that was by no means the limit of India's needs, and even if the proceeds of this year's rupee loan should considerably exceed the amount entered in the estimates, there will be none too much for the country's requirements. As regards the sterling portion of this year's borrowings, I am to point out that the capital expenditure in England for Railway purposes is estimated at over £14 millions. Seeing, therefore, that a very large proportion of this year's capital liabilities fall due abroad, it is, the Government of India consider, sound financial policy, having regard to the present level

of exchange, that as much as possible should be borrowed in sterling.

Your Committee are under a misapprehension in doubting whether a sterling borrowing in excess of the £5 millions entered in the estimates was in consonance with the powers given to the Legislative Assembly under the Government of India Act. Under that Act, expenditure from loan funds, like other expenditure, is (unless specially excepted) subject to the vote of the Assembly. But the actual raising of the capital resources required to meet the ways and means of liabilities of the year must necessarily be a matter for the discretion of the executive Government, although the latter would of course be ready to justify any particular action to the Assembly should it be called in question.

10. As to the second point referred to in para. 2 of this letter, the absence of opportunity for Indian investors to invest in the loan was primarily due to its success, which led to immediate over-subscription and to the closing of the lists. Had the loan remained open for the maximum period contemplated in the prospectus, viz. till April 26th, time would have been allowed for telegraphic orders to agents in London. The conditions of the London market, which is now subject to appeals from a long succession of borrowers, do not admit either of previous notice of the terms, which are finally settled only on the eve of the prospectus in the light of the actual money market situation, or of holding the lists open for any lengthy period. The Secretary of State will, however, consider, on the occasion of the next loan, whether in the event of the early closing of the lists special consideration can be given to persons in India, as he recognises the desirability of giving residents in India a similar opportunity, so far as practicable, of subscribing to that open to persons in the United Kingdom.

11. In reply to your Committee's query regarding the underwriting of the loan I am to say that earlier and continuous enquiries had indicated that a loan of such size as the Secretary of State considered essential, namely, £7½ millions, could not be placed without special arrangements. The Secretary of State therefore obtained the co-operation of the Bank of England, who undertook that the total issue should be subscribed and were left to make their own arrangements regarding underwriting. The total underwriting and similar charges,

apart from the cost of advertising and normal incidental expenses, but including the ¼ per cent commission which it is usual to allow on all applications bearing bankers' and brokers' stamps, are about 2 per cent. The Secretary of State is not cognisant of the names of the underwriters with whom the loan was actually placed by the Bank of England, nor of the arrangements made for the distribution of the underwriting charges amongst those concerned.—I have etc.,

E. M. COOK,
Secretary to the Government of India.

APPENDIX E-4.

CHANGING OF THE FINANCIAL YEAR.

No. 3328-F.

Government of India,
Finance Department,
Delhi, 7th December 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed to enclose a copy of a letter No. 3290-F, dated the 3rd December 1921, which has been addressed to all Provincial Governments on the question of changing the present financial year. The Government of India will be glad to have your Committee's opinion on the issues dealt with in that letter. I am to ask that a copy of your reply may also be sent to the Government of your Province.—I have etc.,

A. C. MUKHERJI,
for Secretary to the Government of India.

No. 3290-F.

Government of India,
Finance Department,
Delhi, 3rd December 1921.

All Local Governments and Administrations.

Sir,—I am directed to address you on the question of changing the present financial year. The matter is one

which has been raised on more than one occasion, and notably by the Royal Commission on Indian Finance and Currency of 1913 (generally known as the "Chamberlain Commission") who, in paragraph 128 of their Report, in dealing with the difficulties which beset accurate budgeting in India, remarked:

"The revenues of India, whether shown under railways or customs or directly under the head of land revenue, fluctuate to an extraordinary extent with the success or failure of the agricultural operations of each year, and these again depend predominantly on the south-west monsoon which spreads over the Indian continent and Burma in the months of June to October. Under present arrangements the Indian budget is presented before the end of March, and the Finance Member accordingly has to prepare his estimates in ignorance of the most important factor on which the results of the year will depend. The late Finance Member of the Viceroy's Council, indeed has described the framing of a budget as a gamble in rain. We would observe, however, that the description applies only because the budget is taken before the monsoon. It is clear in fact that from the financial point of view the present date is almost the most inconvenient possible for the budget, and the suggestion has therefore been made that the date of the beginning of the financial year should be altered from the 1st April to the 1st November or 1st January. There may be administrative difficulties in carrying this suggestion into effect, but, financially, it would be a great improvement. Criticism directed against the inaccuracy of Indian budgeting is not effectively answered by a reference to the difficulties which arise under present conditions. It has to be shown further that these difficulties cannot be removed by a change of date without incurring graver disadvantages, and we commend the question to the consideration of the Government."

2. In a despatch to the Secretary of State, dated the 6th August 1914, dealing with the Chamberlain Commission's Report, the Government of India said:

"Similarly, as anticipated by your Lordship, we propose to postpone, for the present, consideration of the question of changing the Indian financial year. We considered this matter recently and came to the provisional conclusion that the benefits derivable from such a change would not outweigh the disadvantages, taking into account the temporary dislocation of our accounts which must result."

The Government of India consider that the time has now come when it is desirable to arrive at a final conclusion on this matter, and they will be glad to be favoured with your observations in the light of the following considerations for and against any change.

3. As stated above, the object which the Chamberlain Commission had in view in making the suggestion was in order to facilitate more accurate budgeting. That, however, is not the only consideration. The Central and Provincial legislatures now possess very large powers in financial matters, and it is clear that the date for the framing and presentation of the annual budget must to some extent depend upon the sessions of the legislatures. A further new factor is introduced by the clean cut which has been effected by the Reforms between central and provincial finances. So far as the Central Government is concerned, the effect of the character of the monsoon upon the Indian budget is less direct than at a time when the Imperial Government received a considerable share of the land revenue, and, taking India as a whole, it is probably correct to say that the effect of a good or bad monsoon upon the revenues is now, if not actually less, at any rate more indirect than was the case formerly.

4. On the previous occasions when this matter has been under consideration, the two possible alternatives which were suggested to the present date for the commencement of the financial year were (1) the 1st November (or the 1st October) and (2) the 1st January. As at present advised, the Government of India are inclined to think that the first of these two alternatives must be ruled out. It would necessitate estimates being framed at a time when the ultimate effects of the principal monsoon could not be definitely gauged. Under the present system, the agricultural conditions for at any rate the first half of the financial year can be fairly well estimated, which would not be the case with a year commencing on 1st November. It is probable moreover that the spending departments, such as the public works and the railways, would find it difficult to make out a definite programme for the ensuing year at a time when the monsoon had not concluded. Further, it would entail very substantial changes, which might prove in practice extremely inconvenient, as regards the budget sessions of the various legislatures.

5. As between a financial year commencing on 1st April and one commencing on 1st January, the balance appears more even. From the point of view of the effect

of the monsoon upon the budget estimates, an ideal selection of the financial year would have to satisfy two conditions: (*a*) that the exact character of the principal monsoon should be known before the budget is finally settled, and (*b*) that the financial year should be that period during which the conditions created by the previous monsoon are operative. A financial year beginning on 1st January would probably very well satisfy those criteria; the results of the winter rains would have been known before the estimates are finally closed, and the budget need only assume a normal autumn monsoon, and not both normal autumn and winter rains as at present.

6. A factor which might materially affect the decision would be a change in the present arrangement under which the budget is presented before the beginning of the year to which it relates. That arrangement is no doubt desirable and convenient, but it may be questioned whether it is essential. It would, in the opinion of the Government of India, constitute a very great improvement in the budgeting arrangements if, when changing the date for the commencement of the financial year, it is possible at the same time to dispense with the Revised estimates. The preparation of these estimates at present gives considerable trouble in the account offices and the finance departments of the Central and Provincial Governments, and they complicate the consideration of the Budget estimates for the next year by introducing a second set of estimates on which the Budget estimates themselves are largely based. The three months January to March are moreover those for which it is most difficult to prepare Revised estimates at present, and past experience shows that the estimates for those months are very frequently largely thrown out.

It seems accordingly to the Government of India that if, for example, the financial year began on 1st January and the Budget were presented in the latter part of that month or in the beginning of February, it would be possible to replace the Revised estimates by approximate actuals which should differ very little from the final actuals of the year; and the accuracy of the Budget estimates for the next year would be improved in consequence. A further advantage, which would also conduce to more accurate budgeting, would be that departmental officers would not have to prepare their estimates for the succeeding year so long ahead of the commencement of the year as at present. On the other hand, an

obvious objection to such an arrangement is that grants could not be communicated to departmental officers till sometime after the commencement of the new financial year. Even under the present arrangements under which the Budget as a whole is passed by the Legislature before the commencement of the new year, it is in many cases not possible to communicate grants to disbursing officers till some months of the new year have elapsed; and it would be possible to introduce, with the approval of the Legislature or the Public Accounts Committee, an arrangement by which disbursing officers would incur expenditure on standing charges in the first few months to the extent to which they are authorised by the previous budget, expenditure on new items being incurred only after it has been ascertained by reference to superior authority that the Budget provision has been passed. A further disadvantage of the proposed change, which however can scarcely be regarded as of decisive importance, is that either new taxation would have to be made retro-active, or the State would have to forego the proceeds for the first two or three months.

7. As against these advantages, there are certain disadvantages, which apply indeed to any change in the present financial year. A change would upset all past accounts, vitiate all statistical comparisons, and, at any rate for a time, would involve considerable labour. Such difficulties would admittedly only be temporary, though the Government of India are inclined to think that changes of this kind are undesirable in themselves unless it can be shown that the new dates possess some very marked advantage over the present ones.

8. The above enumeration of the principal arguments for and against a change does not purport to be exhaustive. The question is one which must be decided on a balance of advantages and disadvantages, and is also obviously one on which the views of Provincial Governments, and their convenience, must exercise a decisive influence. The matter is moreover one in which the commercial public is considerably concerned, particularly from the point of view of assessments to income-tax. Copies of this letter are therefore being sent to all Chambers of Commerce with the request that a copy of their reply may be sent simultaneously to the Provincial and the Central Governments.—I have etc.,

E. M. COOK,
Secretary to the Government of India.

No. 2311-286.

Chamber of Commerce,
Bombay, 29th December 1921.

The Secretary to the Government of India,
Finance Department,
Delhi,

Sir,—I am directed to acknowledge receipt of your letter, No. 3328-F. dated the 7th December 1921, and its accompaniment, in which the views of my Committee are invited upon a proposal to change the present financial year.

2. In reply I am to state that if the Government of India desire to change the date of the commencement of the financial year from the 1st April to the 1st January my Committee have no objection to raise in regard thereto.—I have etc.,

C. B. SAYER,
Secretary.

No. 2312-286,

Chamber of Commerce,
Bombay, 29th December 1921.

The Chief Secretary to the Government of Bombay,
Financial Department, Bombay.

Sir,—I am directed to forward herewith, for the information of the local Government, the attached copy of a letter which my Committee have addressed to the Government of India in the Finance Department with regard to the proposal to change the present financial year.—I have etc.,

C. B. SAYER,
Secretary.

APPENDIX E-5.

ELECTION EXPENSES OF CANDIDATES IN LEGISLATIVE COUNCIL ELECTIONS.

No. 1302

Legal Department,
Secretariat, Fort,
Bombay, 29th July 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed by the Governor in Council to forward to you a copy of Government of India's No. 919-F., dated the 15th October 1920, and to request you to send

me at an early date your opinion on the matters contained in paragraph 2 thereof. Definite proposals should be submitted, along with a statistical table showing the expenditure of each candidate under particular heads.

2. The original papers submitted by the candidates and sent by you under your No. 2531-1130, dated the 21st December 1920 are herewith returned for record in your office.—I have etc.

D. R. NORMAN,
for Secretary to the Government of Bombay.

No. 919-F.

Government of India,
Reforms Office,
Simla, October 15th 1920.

The Reforms Commissioner and Additional Secretary
to the Government of Bombay.

Sir,—I am directed to invite the attention of the Government of Bombay to rule 18 of the Council of State, the Legislative Assembly and the Bombay Legislative Council electoral rules, and to the remarks of the Joint Committee in paragraph 8 of their report on the Government of India Act (Draft Rules). The Committee, while agreeing with the Government of India that it is impracticable at the outset, in the absence of any data, to lay down a limit to election expenditure by candidates, which would work fairly and adequately in every constituency with their very varied conditions, considered that the absence of such limits could not remain a permanent feature of the rules, and that limits could and should be laid down as the result of experience gained at the first elections. Rule 18 accordingly empowers the Governor General to fix by notification maximum scales of election expenses which shall be applicable to any election held after the first election and to prescribe the numbers and description of persons who may be employed for payment in connection with any such election, and it specifically provides that different provisions may be made for different constituencies.

2. The Government of India would be glad to receive in due course the proposals of the Government of Bombay as regards the notifications to be issued respectively for the constituencies of the Council of State, the Legislative Assembly and the Bombay Legislative Council. As regards those under rule 18 (1) (*a*) the Government of India are inclined to think that it would serve no purpose

to lay down that the total expenditure of all kinds that may be incurred by a candidate in any constituency or class of constituencies shall not exceed a prescribed maximum, for example to mention a figure that has been suggested, Rs. 6,000. What seems to them to be required rather is a detailed schedule such as the English law prescribes which would specify the objects on which expenditure would be permissible and the amount that might be incurred in connection with each of these. Rule 17 imposes on every candidate the obligation to submit a return of his expenses and the Government of India believe that the analysis of these returns will provide the materials necessary for the prescription of definite and detailed limits of expenditure.—I have etc.,

S. P. O'DONNELL,
Secretary to the Government of India.

No. 1564-207.

Chamber of Commerce,
Bombay, 12th August 1921.

The Secretary to Government,
Legal Department, Bombay.

Sir,—I am directed to acknowledge receipt of your letter, No. 1302, dated the 29th July 1921, and its accompaniments, on the subject of returns of election expenses, and in reply to state that, owing to the different nature of the conditions obtaining in the Bombay Chamber of Commerce Constituencies from those in other Constituencies, the subject under reference is not one in which my Committee are able or qualified to express an opinion.—I have etc.,

C. B. SAYER,
Secretary.

APPENDIX F--1

THE NEGOTIABLE INSTRUMENTS ACT.

Extract from the Gazette of India, Part IV, of September 1920.

The following Act of the Indian Legislative Council received the assent of the Governor General on the 31st August 1920 :—

Act No. XXV of 1920.

An Act further to amend the Negotiable Instruments Act, 1881

Whereas it is expedient further to amend the Negotiable Instruments Act, 1881; it is hereby enacted as follows:—

Short title.

1. This Act may be called the Negotiable Instruments (Amendment) Act 1920.

Insertion of new section 75-A. in Act XXVI of 1881.

2. After Section 75 of the Negotiable Instruments Act, 1881, the following Section shall be inserted, namely:—

Excuse for delay in presentment for payment.

"75A. Delay in presentment for payment is excused if the delay is caused by circumstances beyond the control of the holder, and not imputable to his default, misconduct or negligence. When the cause of delay ceases to operate, presentment must be made within a reasonable time."

Extract from the Gazette of India, Part IV, p. 37, dated the 1st October 1921.

The following Act of the Indian Legislative received the assent of the Governor General on the 29th September 1921:—

Act No. XII of 1921.

An Act further to amend the Negotiable Instruments Act, 1881.

XXVI of 1881.

WHEREAS it is expedient further to amend the Negotiable Instruments Act, 1881; It is hereby enacted as follows:—

Short title.

1. This Act may be called the Negotiable Instruments (Amendment) Act, 1921.

XXVI of 1881.

Amendment of sections 63 and 83. Act XXVI of 1881.

2. In Sections 63 and 83 of the Negotiable Instruments Act, 1881 (hereinafter) referred to as "the said Act"), for the word "twenty-four" the word "forty-eight" shall be substituted.

Amendment of section 75-A Act XXVI of 1881.

3. In section 75-A of the said Act for the words "for payment" the words "for acceptance or payment" shall be substituted.

APPENDIX F--2

THE INDIAN CARRIERS' ACT.

Extract from the Gazette of India, Part IV, p. 38, dated the 1st October 1921.

The following Act of the Indian Legislature received the assent of the Governor General on the 29th September 1921:—

Act No. XIII of 1921.

An act further to amend the Carriers Act, 1865, in order to empower the Governor General in Council to make by notification additions to the Schedule to that Act, and to free a common carrier from liability under that Act for loss or damage, arising from the negligence of himself or of any of his agents or servants, in respect of any property which, being of the value of over one hundred rupees and of the description contained in the Schedule to that Act, has not been declared in accordance with the provisions of section 3.

WHEREAS it is expedient further to amend the Carriers Act, 1865, in the manner hereinafter appearing; It is hereby enacted as follows:— III of 1865.

Short title.

1. This Act may be called the Carriers (Amendment) Act, 1921.

Amendment of section 8, Act III of 1865.

2. In section 8 of the Carriers Act, 1865, (hereinafter called "the said Act")—

(1) the words "negligence or" shall be omitted, and

(2) after the words "agents or servants" the following words shall be added, namely:—

"and shall also be liable to the owner for loss or damage to any such property, other than property to which the provisions of section 3 apply and in respect of which the declaration required by that section has not been made, where such loss or damage has arisen from the negligence of the carrier or any of his agents or servants."

3. After section 10 of the said Act the following section shall be added, namely:—

Insertion of new section 11 in Act III of 1865.

"11. The Governor General in Council may, by notification in the Gazette of India, add to the list of articles contained in the Schedule to this Act, and the Schedule shall, on the issue of any such notification, be deemed to have been amended accordingly."

Power to Governor General in Council to add to the Schedule.

APPENDIX F-3.

THE INDIAN LIMITATION ACT.

No. 4338

Home Department,
Secretariat Fort,
Bombay, 29th April 1921.

The Chairman, Chamber of Commerce,
Bombay.

Sir,—I am directed to forward herewith a copy of a Bill further to amend the Indian Limitation Act, 1908, with a copy of the Report of the Select Committee on the Bill, and to request that you will be so good as to favour Government with the opinion of the Chamber of Commerce on the provisions of the Bill. Copies of the Statement of Objects and Reasons along with an extract from the Debates of the Legislative Assembly are attached.

2. It will be convenient if the opinion reaches Government by the 1st June 1921.—I have etc.

G. WILES,
Deputy Secretary to the Government of Bombay.

Report of the Select Committee of the Legislative Assembly.

We, the undersigned, Members of the Select Committee to which the Bill further to amend the Indian Limitation Act, 1908, was referred, have considered the Bill and have now the honour to submit this our Report, with the Bill as amended by us annexed thereto.

2. We do not propose any alteration in clause 2 of the Bill.

3. We are unanimously of opinion that section 29 of the Indian Limitation Act, 1908, should provide that all the preceding provisions of the Act, other than section 3, should be applicable for the purpose of determining the period of limitation fixed by any special or local law except in so far as any of those provisions may be expressly excluded by such law. Section 3 should obviously not be deemed to affect or alter a period of limitation specially fixed by any such law. We have therefore re-drafted clause 3 of the Bill, and we think that the re-draft precludes, as far as possible, the risk of conflicting decisions by the various High Courts.

4. The Bill was published in the Gazette of India Extraordinary, dated the 21st February, 1921.

5. We think that the Bill has not been so altered as to require re-publication, and we recommend that it be passed as now amended.

S. P. O'DONNELL.
T. B. SAPRU.
N. M. SAMARTH.
T. V. SESHAGIRI AIYER.
ISWAR SARAN.
JADUNATH MOZOOMDAR.
EARDLEY NORTON.

The 15th March, 1921

[As amended by the Select Committee.]

[Words printed in italics indicate the amendments suggested by the Select Committee.]

A Bill further to amend the Indian Limitation Act, 1908.

WHEREAS it is expedient further to amend the Indian Limitation Act, 1908; It is hereby enacted as follows:— IX of 1908

Short title.

1. This Act may be called the Indian Limitation (Amendment) Act, 192 .

Amendment of section 5, Act IX of 1908.

2. In section 5 of the Indian Limitation Act, 1908, (hereinafter referred to as the said Act), the words "for a review of judgment or for leave to appeal or any other application to which this section may be made applicable by any enactment or rule for the time being in force" shall be omitted. IX of 1908,

3. *In section 29 of the said Act,—*

Amendment of section 29, Act IX of 1908.

(*a*) *for sub-section* (*1*) *the following sub-sections shall be substituted, namely :—*

X of 1872

"*29* (*1*) *Nothing in this Act shall affect section 25 of the Indian Contract Act, 1872.*

Savings.

(*2*) Nothing *in section 3* shall be deemed to affect or alter any period of limitation *specially* prescribed *for any suit, appeal or application* by *any* special or local law *now or hereafter in force in British India; but the rest of the foregoing provisions of this Act shall apply for the purpose of determining any such period of limitation, except in so far as, and to the extent to, which, such law may expressly exclude the operation of the said provisions,*" *and*

(*b*) *Sub-sections* (*2*) *and* (*3*) *shall be renumbered* (*3*) *and* (*4*), *respectively.*

No. 1080-184.

Chamber of Commerce,
Bombay, 26th May 1921.

The Deputy Secretary to Government,
Home Department,
Bombay.

Sir,—I have the honour to acknowledge receipt of your letter No. 4338 of the 29th April 1921 which, however, was not received in this office till the 19th May, forwarding for an expression of opinion thereon a copy of the Bill further to amend the Indian Limitation Act, IX of 1908, and in reply to state that my Committee have no views to put forward in connection therewith.—I have etc.

H. ROYAL,
for Secretary.

Extract from the Gazette of India, Part IV, p. 39, *dated the* 11*th March* 1922.

The following Act of the Indian Legislature received the assent of the Governor General on the 5th March, 1922:—

Act No. X of 1922.

An Act further to amend the Indian Limitation Act, 1908.

WHEREAS it is expedient further to amend the Indian Limitation Act, 1908; It is hereby enacted as follows:— IX of 1908.

Short title.

1. This Act, may be called the Indian Limitation (Amendment) Act 1922.

Amendment of section 5, Act IX of 1908.

2. In section 5 of the Indian Limitation Act, 1908 (hereinafter referred to as the said Act), for the words "by any enactment or rule" the words "by or under any enactment" shall be substituted. IX of 1918.

Amendment of section 29, Act IX of 1908.

3. In section 29 of the said Act,—

(*a*) for sub-section (*l*) the following sub-sections shall be substituted, namely:—

Savings.

"29. (*I*) Nothing in this Act shall affect section 25 of the Indian Contract Act, 1872. IX of 1872.

(2) Where any special or local law prescribes for any suit, appeal or application a period of limitation different from the period prescribed therefor by the first schedule, the provisions of section 3 shall apply, as if such period were prescribed therefor in that schedule, and for the purpose of determining any period of limitation prescribed for any suit, appeal or application by any special or local law—

(*a*) the provisions contained in section 4, sections 9 to 18, and section 22 shall apply only in so far as and to the extent to which, they are not expressly excluded by such special or local law; and

(*b*) the remaining provisions of this Act shall not apply, and

(*b*) sub-sections (*2*) and (*3*) shall be re-numbered (*3*) and (*4*), respectively.

APPENDIX F-4.

THE INDIAN EMIGRATION ACT.

R. S. R. No. 2392.

New Custom House,
Bombay, 23rd May 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I have the honour to invite a reference to pages 105-109 of the Gazette of India (Part V) dated the 26th March 1921 which contain the draft Bill for the amendment of the law pertaining to emigration and also the statement of objects and reasons. I have been instructed to report on this bill on the 28th instant after having consulted such bodies as I considered to be interested.

2. I would enquire whether you desire to make any observations through me (and if so would request you to be so good as to communicate them to me on or before the 27th) or whether you would prefer to communicate them direct to Government.

3. I regret the very limited period of time at our disposal.—I have etc.

C. R. WATKINS,
Ag. Collector of Customs.

No. 1082-138.

Chamber of Commerce,
Bombay, 26th May 1921.

The Collector of Customs,
Bombay.

Sir,—I have the honour to acknowledge receipt of your letter, No. R. S. R. 2392 of the 23rd instant, enquiring whether my Committee have any observations to make in regard to the Indian Emigration Bill.

In reply I am to state that my Committee have no views to put forward in connection therewith.—I have etc.

H. ROYAL,
for Secretary.

Extract from the Gazette of India, Part IV, pp. 19-23, *dated the* 11*th March* 1922.

The following Act of the Indian Legislature received the assent of the Governor General on the 5th March, 1922.

Act No. VII of 1922.

An Act to amend the law relating to emigration.

Whereas it ts expedient to amend the law relating to emigration; It is hereby enacted as follows :—

CHAPTER I.

PRELIMINARY.

Short title & extent.

1. (1) This Act may be called the Indian Emigration Act, 1922.

(2) It extends to the whole of British India.

Definitions.

(1) In this Act, unless there is anything repugnant in the subject or context,—

(*a*) "dependent" means any woman or child who is related to an emigrant and any aged or incapacitated relative of an emigrant;

(*b*) "emigrant" means any person who emigrates or has emigrated or who has been registered as an emigrant under this Act, and includes any dependent of an emigrant, but does not include—

(*i*) any person emigrating to a country in which he has resided for not less than five years or the wife or child of such person, or

(*ii*) the wife or child of any person who has lawfully emigrated when such wife or child departs for the purpose of joining such person;

(*c*) "emigrate" and "emigration" mean the departure by sea out of British India of—

(*i*) any person who departs under an agreement to work for hire in any country beyond the limits of India, and

(*ii*) any person who is assisted to depart, otherwise than by a relative, if he departs for the purpose or with the intention of working for hire or engaging in agriculture in any country beyond the limits of India;

(*d*) "prescribe" means to prescribe by rules made under this Act;

(*e*) "work," with its grammatical variations, means skilled or unskilled work ;

(*f*) "skilled work" means—

(*i*) working as an artisan ; or

(*ii*) working as a clerk or shop assistant ; or

(*iii*) working for the purpose of any exhibition or entertainment ; or

(*iv*) service in any restaurant, tea-house, or other place of public resort ; or

(*v*) domestic service ; or

(*vi*) any other occupation which the Governor General in Council may, by notification in the Gazette of India, declare to be skilled work ;

(*g*) "unskilled work" includes engaging in agriculture.

(2) In case of any doubt or dispute arising otherwise than in the course of any legal proceedings, as to whether—

(*a*) any person is an emigrant, or

(*b*) any work is skilled or unskilled, or

(*c*) any person has been assisted otherwise than by a relative,

within the meaning of this Act, the question shall be determined by such person and in such manner as the Local Government may prescribe, and such determination shall be final.

CHAPTER II.

PROTECTORS OF EMIGRANTS AND MEDICAL INSPECTORS

Appointments of Protectors of Emigrants.

3. (1) Subject to the control of the Governor General in Council, the Local Government may appoint a person to be the Protector of Emigrants for any port situate within the territories administered by it from which emigration is lawful.

(2) The Local Government may define the area to which the authority of a Protector of Emigrants so appointed shall extend.

(3) Every Protector of Emigrants shall be a public servant within the meaning of the Indian Penal Code. XLV of 1860

General duties of Protector.

4. Every Protector of Emigrants, in addition to to the special duties assigned to him by or under this Act, shall—

(*a*) protect and aid with his advice all emigrants ;

(*b*) cause, so far as he can, all the provisions of this Act and of the rules made thereunder to be complied with;

(*c*) inspect, at the time of arrival, to such extent and in such manner as the Local Government may prescribe, vessels bringing return emigrants to the port for which he is Protector ;

(*d*) inquires into the treatment received by return emigrants both during the period of their residence in the country to which they emigrated, and also during the return voyage, and report thereon to the Local Government ;

(*e*) aid and advise return emigrants so far as he reasonably can ; and

(*f*) on being satisfied that any person intending to depart by sea out of British India comes within one of the classes expressly excluded from the definition of emigrant in section 2, furnish such person with a certificate to the effect that such person is not an emigrant for the purpose of this Act.

Power to appoint persons to exercise function of a Protector.

5. (1) In any specified area where there is not a Protector of Emigrants, the Local Government, subject to the control of the Governor General in Council, may appoint any person to perform all or any of the duties of a Protector of Emigrants under this Act.

(2) Every person so appointed shall be a public servant within the meaning of the Indian Penal Code. XIV of 1860.

Appointments of Medical Inspectors.

6 (1) The Local Government may appoint one or more Medical Inspectors of Emigrants at any port from which emigration is lawful or at any other place, and, where more than one are appointed, may apportion their respective duties.

(2) Every Medical Inspector of Emigrants shall be a public servant within the meaning of the Indian Penal Code. XIV of 1860.

Agents in foreign countries.

7. The Governor General in Council may, for the purpose of safeguarding the interests of emigrants in any place outside British India, appoint persons to be agents in such places, and may define their powers and duties.

Advisory Committees.

8. The Local Government may, for the purpose of assisting any Protector of Emigrants appointed by it or any person appointed by it under section 5, constitute an Advisory Committee in such manner as it may think fit, and may prescribe the procedure to be followed and the functions to be performed by such committee.

CHAPTER III.

EMIGRATION FOR THE PURPOSE OF UNSKILLED WORK.

Ports from which emigration of unskilled workers is lawful.

9 (1) Emigration, for the purpose of unskilled work, shall not be lawful except from the ports of Calcutta, Madras, Bombay, Karachi, Negapatam, Tuticorin and Dhanushkodi, and from such other ports as the Governor General in Council may, by notification in the Gazette of India, declare to be ports from which such emigration is lawful.

(2) The Local Government may, by notification in the local official Gazette, fix for the purposes of this Act the limits of any port from which such emigration is lawful.

Countries to which emigration of unskilled workers is lawful.

10. (1) Emigration, for the purpose of unskilled work, shall not be lawful except to such countries and on such terms and conditions as the Governor General in Council, by notification in the Gazette of India, may specify in this behalf.

(2) No notification shall be made under sub-section (1) unless it has been laid in draft before both Chambers of the Indian Legislature and has been approved by a resolution of each Chamber, either without modification or addition, or with modifications and additions to which both Chambers agree, but, upon such approval being given, the notification may be issued in the form in which it has been so approved.

Power to suspend emigration of unskilled workers

11. (*1*) Where the Governor General in Council has reason to believe that in any country to which emigration for the purpose of unskilled work is lawful plague or any other epidemic disease dangerous to human life has broken out, and that emigrants if allowed to emigrate to that country would be exposed to serious risk to life on arrival there, he may, by notification in the Gazette of India, declare that emigration to that country for the purpose of unskilled work shall cease to be lawful.

(2) Where a Local Government has reason to believe that such a state of affairs as is described in sub-section (*1*) exists in any country to which emigration for the purpose of unskilled work is lawful, it may, by notification in the local official Gazette, declare that emigration to that country for the purpose of unskilled work from any port in the territories administered by it shall cease to be lawful pending a reference to the Governor General in Council.

(3) The Local Government publishing a notification under sub-section (2) shall forthwith report such notification with the reasons for it to the Governor General in Council, who shall thereupon publish a notification in the Gazette of India confirming or cancelling the notification published by the Local Government.

Revocation of prohibition.

12. Where the Governor General in Council is satisfied that the ground on which a notification under sub-section (*1*) of section 11, or a notification under sub-section (3) of section 11 confirming a notification of a Local Government has been made with respect to any country, has ceased to exist, he may, by notification in the Gazette of India, declare that emigration to that country for the purpose of unskilled work shall again be lawful from a date to be specified in the notification.

Powers of Governor General in Council to prohibit emigration to specified country.

13. (*1*) The Governor General in Council may, by notification in the Gazette of India, prohibit, from a date, and for reasons, to be specified in the notification, all persons or any specified class of persons from emigrating to any specified country from the territories under the administration of any Local Government or any specified part thereof, for the purpose of unskilled work.

(2) Every notification issued under this section shall be laid before both Chambers of the Indian Legislature as soon as may be after it is made.

Saving.

14. A notification under section 10, section 11, section 12 or section 13 shall not affect any act done, offence committed, or legal proceedings commenced before the date on which such notification takes effect.

CHAPTER IV.

EMIGRATION FOR THE PURPOSE OF SKILLED WORK.

Ports from which emigration of skilled workers is lawful.

15. Emigration, for the purpose of skilled work, shall not be lawful except from a port from which emigration for the purpose of unskilled work is lawful and from such other ports as the Governor General in Council may, by notification in the Gazette of India, specify in this behalf.

Emigration of skilled workers.

16. (*1*) Whoever desires to engage, or to assist, any person to emigrate for the purpose of skilled work shall apply for the permission of the Local Government having jurisdiction at the port from which such person is to depart, and shall state in his application—

(*a*) the number of persons whom he proposes so to engage or assist;

(*b*) the place beyond the limits of India to which each such person and his dependents are to proceed;

(*c*) the accommodation to be provided for each such person and his dependents until their departure out of India and during the voyage.

(2) Whoever desires to engage any person for the purpose described in sub-section (*1*) shall, in addition to the information which he is required by that sub-section to supply in his application, further state therein—

(*a*) the provision to be made for the health and well-being of such person and his dependents during the period of the proposed engagement and for their repatriation at the end of such period;

(*b*) the terms of the agreement under which such person is to be engaged;

(*c*) the security in British India which he proposes to furnish for the due observance of such agreement and for the proper treatment of the person to be engaged and his dependents.

Applications how to be disposed of.

17. On receiving an application under section 16, the Local Government may, after such inquiry as it may deem necessary, grant the permission applied for on such terms and conditions (if any) and on payment of such fees (if any) as it thinks fit, or withhold such permission, and the decision of the Local Government shall be final.

Appearance of engaged persons before, and registration of names by, Protector of Emigrants.

18. (*1*) Before any person departs from British India in accordance with permission granted under section 17, the person by whom he has been engaged or assisted shall appear in person or by his duly authorised agent before the Protector of Emigrants at the port of embarkation with such first-mentioned person and with any persons intending to accompany him as his dependents.

(2) If it appears to the Protector of Emigrants—

(*a*) that permission to engage or assist such person has been duly obtained,

(*b*) in the case of an engagement, that the terms of the agreement under which such person has been engaged are in accordance with the terms of the permission granted and are understood by him, and

(*c*) that the conditions on which the permission was granted have been complied with,

he shall register in a book to be kept for the purpose such particulars concerning the person engaged or assisted and his dependents (if any) and concerning the person engaging or assisting him, and in such form, as the Local Government may prescribe.

Provisions as to security.

19. Where such security as is referred to in sub-section (2) of section 16 has been furnished, the Local Government may, at any time after making such inquiry as it may deem necessary, pass orders in regard to the forfeiture of the security in whole or in part and the application of the same or any part thereof, and, on the expiry of the period to which the agreement relates and on being satisfied that no ground exists for forfeiting the security in whole or in

part, order the return of the security or of any part thereof to the person by whom it was furnished or to his representative.

Delegation to Protector of Emigrants of authority to receive or dispose of applications.

20. The Local Government may, by notification in the local official Gazette, authorise a Protector of Emigrants to receive and dispose of applications made under this Chapter:

Provided that an appeal shall lie to the Local Government from every order passed by a Protector of Emigrants in exercise of the authority so conferred.

Power to prohibit emigration of skilled workers.

21. (*1*) Where the Governor General in Council has reason to believe that sufficient grounds exist for prohibiting emigration of skilled workers to any country, he may, by notification in the Gazette of India, declare that such emigration to that country shall cease to be lawful from a date specified in the notification; and from that date such emigration to that country shall accordingly cease to be lawful.

(2) Every notification issued under this section shall be laid before both Chambers of the Indian Legislature as soon as may be after it is made.

Savings.

22. Nothing in this Chapter shall apply in any case in which a person engages another to accompany him out of India as his personal domestic servant.

CHAPTER V.

RULES.

Power of Local Government to make rules.

23. Subject to the control of the Governor General in Council, the Local Government may, by notification in the local official Gazette, make rules consistent with this Act to prescribe the person by whom any doubt or dispute referred to in sub-section (2) of section 2 shall be determined and the procedure to be followed and the proof to be required in such cases, and to provide for any other matter which the Local Government is by this Act empowered to prescribe.

Power for the Governor General in Council to make rules.

24. (*1*) The Governor General in Council may, by notification in the Gazette of India, and after previous publication, make rules for the purpose of carrying into effect the provisions of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for—

(*a*) the powers and duties of the several officers appointed by the Governor General in Council under this Act;

(*b*) the licensing, supervision and control of all persons employed in British India in connection with the inducement of persons to emigrate and with the conveyance and accommodation of persons so induced;

(*c*) the establishment, supervision and regulation of any places of accommodation provided for emigrants and for their medical care while resident there;

(*d*) the forms to be maintained and the returns to be submitted by persons licensed in accordance with rules framed under clause (*b*);

(*e*) the information to be furnished by persons licensed in accordance with rules framed under clause (*b*) to emigrants and the language in which such information is to be furnished;

(*f*) the production and examination of emigrants before District Magistrates or such other authorities as may be appointed in this behalf;

(*g*) the age below which persons of either sex may not emigrate except as dependents;

(*h*) the accommodation, the provisions, fuel and other necessaries, the medical stores and staff, the life-saving and sanitary arrangements, and the records to be maintained on any ship specially chartered for the transport of emigrants;

(*i*) the reception and the despatch to their homes of return emigrants;

(*j*) generally, the security, well-being and protection of emigrants both up to the date of their actual departure from India and on their return to India.

CHAPTER VI.

OFFENCES.

Unlawful emigration or inducement to emigrate.

25. (*1*) Whoever, except in conformity with the provisions of this Act or of the rules made under this Act, emigrates or attempts to emigrate shall be punishable with fine which may extend to fifty rupees.

(2) Whoever, except in conformity with the provisions of this Act or of the rules made under this Act,—

(*a*) makes, or attempts to make, any agreement with any person purporting to bind that person, or any other person, to emigrate, or

(*b*) induces, or attempts to induce, any person to emigrate or to attempt to emigrate or to leave any place for the purpose of emigrating, or

(*c*) causes any person engaged or assisted by him, after grant of the permission referred to in section 17, to depart by sea out of British India without registration of the particulars required by sub-section (2) of section 18,

shall be punishable with fine, which may extend to five hundred rupees.

(3) If any person commits an offence under this section, any police-officer may arrest him without warrant.

Fraudulently inducing to emigrate.

26. Whoever, by means of intoxication, coercion or fraud, causes or induces, or attempts to cause or induce, any person to emigrate, or enter into any agreement to emigrate, or leave any place with a view to emigrating, shall be punishable with imprisonment for a term which may extend to one year, or with fine, or with both.

False representation of Government authority.

27. Whoever falsely represents that any emigrants are required by the Government or are to be engaged on behalf of the Government shall be punishable with imprisonment for a term which may extend to six months, or with fine, which may extend to five hundred rupees, or with both.

Sanction to prosecutions.

28. No prosecution shall be instituted for any offence under this Chapter except with the sanction of a Protector of Emigrants or of a person appointed under section 5 and empowered in this behalf or, where there is no Protector or person so appointed and empowered, of the District Magistrate:

Provided that no sanction shall be required when an offence has been committed in respect of an emigrant or an intended emigrant and the complaint is filed by such emigrant, or intended emigrant or, on behalf of such emigrant or intended emigrant, by the father, mother, husband, wife or guardian of such emigrant or intended emigrant or if such emigrant or intended emigrant is a member of a joint Hindu family, by the manager of that family.

Power for Customs officer to search and detain for purposes of Act.

29. All the powers for the time being conferred by law on officers of sea-customs with regard to the searching and detention of vessels or otherwise for the prevention of smuggling on board thereof, may be exercised by those officers for the prevention of offences against this Act.

CHAPTER VII.

SUPPLEMENTAL.

Prohibition of departure by land under an agreement to work for hire in some country beyond the sea.

30. (*1*) The departure by land out of British India of any person under, or with a view to entering into, an agreement to work for hire, or when assisted, otherwise than by a relative, so to depart for the purpose or with the intention of working for hire or engaging in agriculture, in any country beyond the sea, is prohibited.

(*2*) Whoever departs, or attempts to depart, by land out of British India in contravention of this section, shall be deemed to have committed an offence under sub-section (*1*) of section 25.

(3) Whoever induces, or attempts to induce, any person to depart by land out of British India in contravention of this section shall be deemed to have committed an offence under sub-section (*2*) of section 25.

CHAPTER VIII.

SAVINGS AND REPEAL.

Application of Act.

31. Nothing in this Act shall be deemed to apply to the departure out of British India of—

(*i*) any person who is neither of Indian parentage nor a subject of a State in India, or

VIII of 1911 (*ii*) any person enrolled under the Indian Army Act, 1911.

Saving.

32. Notwithstanding anything contained in this Act, the provisions of this Act shall not apply for a period of twelve months from the date of the commencement of this Act to persons emigrating to Ceylon, the Straits Settlements, or any protected Native State adjoining the Straits Settlements.

XVII of 1908 33. The Indian Emigration Act, 1908, is hereby repealed.

Repeal.

A. MONCRIEFF SMITH,
Secretary of the Government of India.

APPENDIX F-5.

THE CODE OF CIVIL PROCEDURE.

No. 4416.

Home Department,
Secretariat, Fort,
Bombay, 3rd May 1921.

The Chairman, Chamber of Commerce,
Bombay.

Sir,—I am directed to forward herewith a copy of a Bill further to amend the Code of Civil Procedure, 1908, with the Statement of Objects and Reasons, and to request that you will be so good as to favour Government with the opinion of your Chamber on the provisions of the Bill.

2. It will be convenient if the opinion reaches Government by the 15th June 1921.—I have etc.,

G. WILES,
Deputy Secretary to the Government of Bombay,

Note—The Bill referred to in the foregoing letter, No. 4416 dated the 3rd May 1921, from the Government of Bombay was subsequently withdrawn and another Bill "Further to amend the Provincial Small Causes Act 1887 and the Code of Civil Procedure 1908 in order to provide for the award of costs by way of compensation in respect of false and vexatious claims or defences in civil suits and proceedings"—introduced in its stead. The latter Bill was passed into law and is printed below.

No. 1105-185.

Chamber of Commerce,
Bombay, 30th May 1921.

The Deputy Secretary to the Government of Bombay,
Home Department, Secretariat, Fort, Bombay.

Sir:—I have the honour to acknowledge receipt of your letter No. 4416, dated 3rd May 1921, which was not, however received in this office until the 20th May, asking, for the opinion of this Chamber on the provisions of the Bill further to amend the Code of Civil Procedure.

In reply I am to state that my Committee have no views to put forward in connection with the Bill.—I have etc.,

H. ROYAL,
for Secretary.

Extract from the Gazette of India, Part IV, p. 37, dated the 11th March 1922.

The following Act of the Indian Legislature received the assent of the Governor General on the 5th March, 1922:—

Act No. IX of 1922.

An Act further to amend the Provincial Small-Cause Courts Act, 1887, and the Code of Civil Procedure, 1908, in order to provide for the award of costs by way of compensation in respect of false or vexatious claims or defences in civil suits or proceedings.

WHEREAS it is expedient further to amend the Provincial Small Cause Courts Act, 1887, and the Code of Civil Procedure, 1908; It is hereby enacted as follows:— IX of 1887.

1. (1) This Act may be called the Civil Procedure (Amendment) Act, 1922. V of 1908.

Short title and commencement.

(2) The Local Government may, with the previous sanction of the Governor General in Council, by notification in the local official Gazette, direct that this Act shall come into force throughout the Province or in any part thereof on such date as may be specified in the notification.

V of 1908.

Insertion of new section 35A in Act V of 1908.

2. In Part I of the Code of Civil Procedure, 1908 (hereinafter referred to as the said Code), after section 35 the following section shall be inserted, namely:—

Compensatory costs in respect of false or vexatious claims or defences.

"35A. (1) If in any suit or other proceeding, not being an appeal, any party objects to the claim or defence on the ground that the claim or defence or any part of it is, as against the objector, false or vexatious to the knowledge of the party by whom it has been put forward, and if thereafter, as against the objector, such claim or defence is disallowed, abandoned or withdrawn in whole or in part, the Court, if the objection has been taken at the earliest opportunity and if it is satisfied of the justice thereof, may, after recording its reasons for holding such claim or defence to be false or vexatious, make an order for the payment to the objector, by the party by whom such claim or defence has been put forward, of costs by way of compensation.

(2) No Court shall make any such order for the payment of an amount exceeding one thousand rupees or exceeding the limits of its pecuniary jurisdiction, whichever amount is less:

Provided that where the pecuniary limits of the jurisdiction of any Court exercising the jurisdiction of a Court of Small Causes under the Provincial Small Cause Courts Act, 1887, and not being a Court constituted under that Act, are less than two hundred and fifty rupees, the High Court may empower such Court to award as costs under this section any amount not exceeding two hundred and fifty rupees and not exceeding those limits by more than one hundred rupees:

Provided, further, that the High Court may limit the amount which any Court or class of Courts is empowered to award as costs under this section.

(3) No person against whom an order has been made under this section shall, by reason thereof, be exempted

from any criminal liability in respect of any claim or defence made by him.

(4) The amount of any compensation awarded under this section in respect of a false or vexatious claim or defence shall be taken into account in any subsequent suit for damages or compensation in respect of such claim or defence.

3. In sub-section (*1*) of section 104 of the said Code,—

Amendment of section 104, Act V of 1908.

(*i*) after clause (*f*) the following clause shall be inserted, namely:—

" (*ff*) an order under section 35A "; and

(*ii*) after clause (*i*) the following proviso shall be inserted, namely:—

"Provided that no appeal shall lie against any order specified in clause (*ff*) save on the ground that no order, or an order for the payment of a less amount, ought to have been made."

4. To rule 33 of Order XLI of the First Schedule to the said Code, the following proviso shall be added, namely:—

Amendment of Order XLI, Schedule I, Act V of 1908.

" Provided that the Appellate Court shall not make any order under section 35A, in pursuance of any objection on which the Court from whose decree the appeal is preferred has omitted or refused to make such order." IX of 1887

5. In section 24 of the Provincial Small Cause Courts Act, 1887, for the words and figures " section 588, clause (*29*) of the Code of Civil Procedure " the words and figures " clause (*ff*) or clause (*h*) of sub-section (*i*) of section 104 of the Code of Civil Procedure, 1908," V of 1908. shall be substituted; and after the words "District Court," the following words shall be added, namely:—

Amendment of section 24, Act IX of 1887.

"on any ground on which an appeal from such order would lie under that section."

APPENDIX F-6.

THE RATE OF "INTEREST ON JUDGMENT" ALLOWED BY CIVIL COURTS IN THE BOMBAY PRESIDENCY.

No. 220.

Mysore Chamber of Commerce,
Bangalore, 12th September 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—I am directed to request you to kindly let me know at your earliest convenience what rate of interest the Civil Courts in the Bombay Presidency will allow on commercial cases between the dates of the grant of the Court's decree and the close of the transaction.

Thanking you in anticipation.—Yours faithfully,

K. SHAMA IYER,
Secretary.

No. 1798-6.

Chamber of Commerce,
Bombay, 27th September 1921.

Messrs. Craigie Blunt and Caroe,
Bombay.

Dear Sirs,—I am directed to state that my Committee have been asked for information as to the rate of interest usually allowed by Civil Courts in this Presidency, on Commercial Cases, between the dates of the grant of the Court's decree and the close of the transaction.

2. As my Committee are not in possession of the information in question they will be glad if you will be good enough to furnish them with the same at your earliest convenience.

3. The enclosed extract from the proceedings of the Mysore Chamber of Commerce, by whom the matter has been referred to my Committee, will explain the

connection in which the information is required. Please return the enclosure with your letter.—Yours faithfully,

C. B. SAYER,
Secretary.

Bombay, 30th September 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—We beg to acknowledge the receipt of your letter of the 27th instant and to state in reply that apart from cases where the rate of interest is fixed by the contract on which the Plaintiff is suing, the rate of interest allowed by the High Court between the date of the breach or the date from which interest is claimed and the date of judgment, is 6 per cent. We have known only of very isolated instances where interest has been allowed at a higher rate.

Interest before judgment is only allowed where it is payable under the provisions of the Indian Interest Act (XXXII of 1839) otherwise no interest is allowed.

Shortly the Interest Act allows interest.

(*a*) where the agreement stipulates that interest shall be paid.

(*b*) Where there is a sum certain due and a demand has been made in writing for the payment of interest.

Interest is not allowed by the Court before the decree on damages.—We are, etc.

CRAIGIE, BLUNT & CAROE.

No. 1823-6.

Chamber of Commerce,
Bombay, 3rd October 1921.

The Secretary,
Mysore Chamber of Commerce,
Bangalore.

Dear Sir,—I am directed to acknowledge receipt of your letter, No. 220, dated the 12th September 1921, in which you ask for information as to the rate of interest

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usually allowed by Civil Courts in this Presidency "on Commercial cases between the dates of the grant of the Court's decree and the close of the transaction."

2. In reply I am to state that my Committee understand that, apart from cases where the rate of interest is fixed by the contract on which the Plaintiff is suing, the rate of interest allowed by the High Court between the date of judgment and the close of the transaction, *i. e.* interest on judgment, is 6 per cent.—Yours faithfully,

C. B. SAYER,
Secretary.

APPENDIX F-7

ULTIMATE COURT OF APPEAL IN INDIA.

No. 5160.

Home Department,
Bombay, 26th May 1921.

The Chairman, Chamber of Commerce,
Bombay.

Sir,—I am directed to forward herewith a copy of a letter from the Government of India in the Home Department (Judicial) No. 838, dated the 9th May 1921, and of its accompaniments, regarding the proposed establishment of an ultimate Court of Appeal in India, and to request that you will be so good as to favour Government with the views of your Chamber on the points raised by the Government of India.

2. It will be convenient if the opinion reaches Government not later than the 30th June 1921.—I have etc,

G. WILES,
Deputy Secretary to the Government of Bombay.

Home Department, (Judicial)
Government of India,
Simla, the 9th May 1921.

The Secretary to the Government of Bombay,
Home Department.

Sir,—I am directed to forward for your information a copy of a Resolution adopted by the Legislative Assembly

on the 26th March 1921, regarding the establishment of an ultimate court of appeal in India, together with an extract from the proceedings of the Assembly on the subject. I am to request that the Government of India may be favoured with the views of H. E. the Governor in Council together with those of the High Court and such other legal authorities or bodies as the local Government think fit to consult on the following points:—

(1) the desirability of establishing a supreme court of appeal in India for the trial of civil appeals;

(2) the location of such a court, if established;

(3) the qualifications to be required of, and the emoluments to be paid to, the members of such a court, if established;

(4) The relation which such a court should bear to the Judicial Committee of the Privy Council;

(5) the extent to which if such a court is established, the right of appeal to His Majesty in Council should be barred;

(6) whether the court should also have any jurisdiction in regard to criminal cases; and

(7) the effect of the establishment of such a court upon the suggestion which has been made to establish an Imperial Court of Appeal which would combine the judicial functions of the House of Lords and the Judicial Committee.

2. The Government of India would be glad if a reply to this letter could be sent so as to reach them not later than the 1st August 1921.—I have etc.

H. TONKINSON,
Additional Deputy Secretary
to the Government of India.

RESOLUTION.

"This Assembly recommends to the Governor General in Council to be so pleased as to take early steps to collect the opinions of the local Governments, the High Courts, and other legal authorities and to ascertain public opinion generally as to the desirability of establishing a supreme court of appeal in India for the trial of civil appeals and its relation to the Privy Council and as to whether such court of appeal should also have any jurisdiction in regard to criminal cases."

No. 1305-198.

Chamber of Commerce,
Bombay, 30th June 1921.

The Deputy Secretary to the Government of Bombay,
Home Department, Bombay.

Sir,—I am directed to acknowledge receipt of your letter, No. 5160, dated the 26th May 1921, and its accompaniments, regarding the proposed establishment of an ultimate Court of Appeal in India and requesting that Government may be favoured with the views of my Committee on certain points raised by the Government of India in that connection.

In reply I am to state that your letter has received the careful consideration of my Committee and I am to convey to you their views upon the several points raised by the Government of India, as under:—

(1) The Committee are of opinion that the establishment of a Supreme Court of Appeal in India is desirable.

(2) The Committee have no views to express with regard to the location of such a Court.

(3) The Committee cannot offer any opinion as to the qualifications to be required of the Members of the Court except that they should be appointed on the general principles governing the appointment of members of the Judicial Committee of the Privy Council.

(4 & 5) The Committee consider that so long as the Indian Constitution remains as at present there should still be the right of appeal to His Majesty in Council and the Judicial Committee of the Privy Council under such conditions as may be determined.

(6) The Committee are of opinion that the right of appeal to a Supreme Court in criminal cases should only be conceded on points of law stated by the High Courts.

(7) The Committee have no views to submit in regard to this question.—I have etc.

C. B. SAYER,
Secretary.

APPENDIX F-8

PROPOSED AMENDMENT OF PROVIDENT FUNDS ACT.

No. 1663 F. E.

Government of India,
Finance Department,
Simla, the 9th August 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed to acknowledge the receipt of your letter No. 87-219, dated the 12th January 1921, suggesting that the provisions of the Provident Funds Act. may be extended to provident funds established by mercantile firms, Chambers of Commerce and other associations, for the benefit of their employés, and to say that the question has been referred to Local Governments and to Chambers of Commerce for opinion. A copy of the letter on the subject is enclosed, in case your Chamber may desire to give their views in greater detail. If so, I am to request that these may be communicated through the local Government.—I have etc.

G. G. SIM,
Joint Secretary to the Government of India.

No. 1637-F. E.

Government of India,
Financial Department,
Simla, the 5th August 1921.

The Chief Secretary to the Government of Bombay,
Finance Department.

Sir,—I am directed to forward a copy of a letter received from the Bombay Chamber of Commerce, No. 87-219, dated the 12th January 1921, in which it is proposed that the provisions of the Provident Funds Act, 1897, should be extended to provident funds established for the benefit of the employés of private firms and companies.

2. The provisions of the Provident Funds Act are at present restricted to the provident funds of the employés of Government or of approved local authorities. Compulsory deposits in such funds are immune from

attachment for debt ; if a depositor dies while in service these deposits do not vest in his estate but are paid over to his heirs free from any liabilities which attach to his estate. The Act also authorizes the payment of certain sums from such provident funds to the heirs of a depositor without the necessity of going through certain legal formalities. It does not appear possible to arrange for an amendment of the Act in order to extend its provisions to the funds referred to. The present Act is intended only for Government servants or servants of *quasi*-Government bodies who are bound to obey the rules regulating such funds laid down by the Government or the local body. The Act, therefore, contains no detailed provisions regarding such funds, and, if it is decided to extend the benefits of the Provident Funds Act to private provident funds, it will be necessary to frame a separate Act. Such an Act would have to lay down specific conditions regarding the constitution of such provident funds and probably would have to give authority to the Civil Courts to pass orders regarding the registration or the admission of such funds to the privileges conferred by the new Act. It would probably be necessary to set up a separate registering authority to scrutinize the rules of such funds and to see whether they complied with the general conditions prescribed in the Act. Since the legislation suggested would involve restrictions on the rights of creditors, it might be necessary further to amend the provisions of the Code of Civil Procedure, see section 60 (*k*) of that Code.

3. The financial interest of provincial Governments might be affected to a slight extent by such legislation, as stamp duties are now a provincial source of revenue, and the proposals referred to would result in a certain amount of property passing to heirs without the payment of stamp duties.

4. A further concession which would be conferred upon such funds would be the exemption of the contributions from income-tax to the extent permissible under the Income-tax Act in regard to Government provident funds.

5. I am directed to request that with the permission of His Excellency the Governor in Council the Government of India may be favoured with the views of the local Government on the advisability of legislation in the direction suggested. If legislation is considered advisable, I am to ask for the recommendations of the local Government regarding the particular conditions to be

prescribed in the Act with which such funds must comply in order to obtain the benefits of the new legislation.

6. Copies of this letter are being addressed to Chambers of Commerce, who have been asked to forward their views through the local Government.—I have etc.

G. G. SIM,

Joint Secretary to the Government of India.

Letter No. 87-219, dated Bombay, the 12th January 1921.

From—The Secretary, Bombay Chamber of Commerce,

To—The Secretary to the Government of India, Finance Department.

I am directed to invite a reference to Section 6 of the Provident Funds Act, 1897, which limits the extension of the Act to such funds as are established by any local authority within the meaning of the Local Authorities Loans Act, 1879, only.

2. In the above connection I am to state that many mercantile firms, as well as this Chamber and similar Associations, have established within recent years similar Provident Funds for the benefit of their employees but owing to the provisions of the aforesaid Section, subscribers to such funds do not enjoy the benefits of the Provident Funds Act, 1897.

3. I am accordingly to submit that the position as above described is an anomalous one and to request that Government may be moved to amend the Act in such a manner as to ensure that all subscribers to regularly constituted Provident Funds enjoy the benefits equally with those subscribers to Provident Funds established by Municipalities, Port Trusts, Railways and Government Departments.

No. 1636-231.

Chamber of Commerce,
Bombay, 29th August 1921.

The Chief Secretary to Government,
Financial Department,
Bombay.

Sir,—I am directed to state that my Committee are in receipt of a letter from the Government of India in the Finance Department, No. 1663 F. E., dated the 9th

August 1921, wherein is enclosed a copy of a letter from that Department, No. 1637 F.E., dated the 5th idem, to all local Governments and Administrations on the subject of the proposed extension of the Provident Funds Act to Provident Funds established by Commercial firms etc.

2. In their letter to the Chamber of the 9th instant, the Finance Department request that, in the event of my Committee being desirous of submitting their views on the above subject in greater detail than in their original letter, which forms the subject of the present reference, the same may be communicated through the local Government.

3. Accordingly I am to submit, for communication to the Government of India, the views of my Committee on the above subject in somewhat greater detail and after careful consideration of the views of the Government of India, as provisionally expressed in Mr. Sim's letter of the 5th instant, in the same connection.

4. In the first instance I am to state that my Committee desire strongly to adhere to their original contention, namely that the position as described in their letter of the 12th January 1921 is an anomalous one. Nor can my Committee admit that the difficulties with which Government will be confronted if they attempt to make any alterations in the existing laws, though considerable in themselves, are more than purely administrative ones, or that they affect in any way the important questions of principle involved.

5. It is unnecessary to reiterate again the grounds upon which my Committee's contention in the latter connection is based as the same were clearly set forth in the representations on the same subject made by the Bengal Chamber and this Chamber to the Department of Commerce and Industry in May 1915 and copies were forwarded to the local Government in Mr. Gregor-Pearse's letter, No. 1089, dated the 27th May 1915.

6. Since the correspondence above noted, however, certain important developments have occurred to which I am now to invite attention.

7. The Report of the All-India Income Tax Committee, which have recently concluded their enquiries in connection with certain proposed amendments of the Indian Income Tax Act, 1918, contains a definite recommendation in regard to the question of the assessment to Income Tax of contributions to regularly constituted

Provident Funds, and I am to quote below the recommendations in question :—

"SECTION 3 (2) (IV), (V).

16. We agree with the proposal that the concessions given to the particular provident funds mentioned in these clauses should be extended to the provident or superannuated funds of private firms and companies. It would, however, be necessary to lay down some general principles, (in particular providing that no such privilege should be conferred upon any funds which have not irrevocably left the control of the proprietors of the business), and these principles might suitably be inserted in the rules to be framed under the Act, pending legislation for such funds, which we understand is at present under consideration."

8. It is understood that all the recommendations contained in the above noted report are receiving the consideration of the Government of India and I am to submit that, if the particular one which I have quoted is accepted, a prima facie case for a complete revision of the Provident Funds Act itself is clearly established.

9. The conditions attached to the recommendation are reasonable and inasmuch as such conditions obtain in the case of every fund which they had in mind when making their original representation, my Committee do not foresee any difficulties in the way of the legislation proposed.

10. I attach, for the information of Government, a copy of the Provident Fund Rules of this Chamber, which are substantially the same as those of the various Provident Funds established by the Bengal Chamber, and I am to suggest that the nature of the conditions to be prescribed in the Act, and with which such funds must comply in order to obtain the benefits of the new legislation, can be suitably derived therefrom.

11. Finally I am to request, in the event of the general principles above enunciated being approved, that early effect may be given to the same, at any rate so far as this Chamber's fund and those of Associations similarly constituted are concerned and the administration of which is so similar to those established by Government Departments, Port Trusts etc., as to admit of immediate recognition.—I have etc.

C. B. SAYER,
Secretary.

APPENDIX G-1.

ASSESSMENT OF MERCANTILE PROFITS UNDER THE INCOME TAX ACT 1918.

No. 825-F.

Government of India,
Finance Department,
Delhi, the 11th March 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed to say that numerous difficulties have arisen regarding the method of assessing mercantile profits for the purposes of the Income Tax Act of 1918, and that the Government of India have, therefore, decided to appoint a small committee of experts to examine the question of re-drafting the Act for the purposes of bringing in additional provisions either in the Act itself or as rules which could be made consistently with the Act on lines similar to the provisions contained in the English Income Tax Act. A further communication will be sent to you regarding the composition of the committee and the dates on which it will sit. The committee will in any case visit Bombay and I am to ask that your Chamber may be good enough to furnish a list of gentlemen who they consider might usefully give their views to the committee on these questions.—I have etc.

G. G. SIM,
Joint Secretary to the Government of India.

No. 1116-F.

Government of India,
Finance Department,
Delhi, 5th April 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—In continuation of my letter No. 825-F., dated the 11th March 1921, I am directed to say that I have been deputed by the Government of India to obtain the

recommendations of local committees at different centres regarding the points mentioned in my previous letter. The Government of Bombay have been asked to nominate members for the committee which will meet in Bombay and I am to ask that your Chamber will communicate with the local Government on the subject. After the views of the various local committees have been obtained it is proposed that representatives from those committees should meet together in Simla during the latter half of May and make recommendations regarding the various points that may be raised at the different local centres. The local Committee at Bombay will hold its sittings between 21st and 27th April. Any particular points, which your Chamber may desire to bring to the notice of the committee, should be forwarded to the local Government.—I have etc.

G. G. SIM,

Joint Secretary to the Government of India.

No. 744-56.

Chamber of Commerce,
Bombay, 9th April 1921.

The Chief Secretary to the Government of Bombay,
Finance Department,
Bombay.

Sir,—I have the honour to state that I am in receipt of a letter, No. 1116-F, dated the 5th April 1921, from the Government of India, Finance Department, advising my Committee of the nomination by the Government of Bombay of members of a Committee to make recommendations in connection with the proposed amendment of the Indian Income Tax Act, 1918, and requesting my Committee to communicate with the local Government on the subject.

2. As I am informed in the same letter that the above-mentioned Committee will hold its sittings in Bombay between the 21st and 27th April I have the honour to request the favour of a very early intimation as to its personnel and location.—I have etc.

C. B. SAYER,
Secretary.

No. C. 1426.

Revenue Department,
Bombay,
9th April 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed by the Governor in Council to inform you that Mr. G. G. Sim, C.I.E., I.C.S., Joint Secretary to the Government of India, Finance Department, has been deputed to make inquiries and recommendations in consultation with local committees in Bombay and other centres regarding the assessment of mercantile profits to income tax and super tax. The Committee for Bombay will meet at the Secretariat between 21st and 27th April 1921 as at present arranged. I am to enquire whether your Chamber would wish to produce any witnesses before the Bombay Committee, and, if so, to request you to send their names to Government at a very early date.—I have etc.

SHAMRAO D. MANKAR,
Under Secretary to the Government of Bombay.

No. 863-56.

Chamber of Commerce,
Bombay, 19th April 1921.

The Under Secretary to the Government of Bombay,
Revenue Department,
Bombay.

Sir,—I am directed to acknowledge receipt of your letter, No. C-1426, dated the 9th April 1921, in connection with the appointment of a Committee to make enquiries and recommendations regarding the assessment of mercantile profits to Income Tax and Super Tax and enquiring whether my Committee desire to nominate any witnesses to give oral evidence before the same.

In reply I am to state that the following gentlemen have been nominated by my Committee to give evidence on their behalf:—

Mr. C. N. Caroe, (Messrs. Craigie Blunt & Caroe)
Mr. H. G. Cocke, (Messrs. A. F. Ferguson & Co.)
Mr. R. G. Pocock, (Messrs. Bombay Company, Ltd.)

I shall be grateful if I may be informed with the least possible delay as to the date, and time, upon which the witnesses will be required to present themselves for examination.—I have etc.

C. B. SAYER,
Secretary.

No. C.-1426.

Revenue Department,
Bombay, 20th April 1921.

The Secretary, Chamber of Commerce,
Bombay.

Subject.—Committee to make enquiries and recommendations for the assessment of mercantile profits.

Sir,—With reference to your letter No. 744-56 dated 9th April 1921, I am directed by the Governor in Council to state that Government have nominated the following gentlemen to be members of the Committee mentioned above :—

Mr. H. P. W. Macnaghten, M. L. C.
Mr. Rahimtoola Currimbhoy, M. L. A.
Mr. Manmohandas Ramji, M. L. A.
The Hon. Mr. Lalubhai Samaldas Mehta.
Mr. Cowasji Jehangir (Junior), C.I.E., O.B.E., M.L.C.
Khan Bahadur Jamshedji Bezonji Vachha, (Acting Commissioner of Income Tax, Bombay).

I am to add that the Committee will meet in the Secretariat Committee Room, Bombay, for about a week from 23rd April 1921. Specific dates and hours of its meetings will be communicated to you by the Commissioner of Income Tax, Bombay.

2. It is requested that the names of any witnesses your Chamber may wish to produce before the Committee may be communicated immediately to the Commissioner of Income Tax, Bombay.—I have etc,

M. WEBB,
Deputy Secretary to the Government of Bombay.

Report of the All India Committee, which assembled at Simla to make recommendations for the amendment of the Income Tax Act, more particularly regarding the assessment of mercantile profits.

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1. We are of opinion that in view of the difficulties arising from a recent interpretation by a High Court of the word "Income" in section 3 of the Act, that section should be altered on the lines of the English Income Tax Act in order to provide that income tax shall be charged not on "Income" but "in respect of property, profits or gains" as described in Schedules or specific sections of the Act.

2. In view of the variety of systems of keeping accounts in this country we are of opinion that it is impossible to prescribe in the Act any uniform system of account keeping on which profits shall be worked out.

3. We recommend that the Indian Income Tax Act should be extended in full to British Baluchistan and not confined, as at present, to the incomes of Government servants.

4. We agree that the Indian Income Tax Act should be amended in order to provide that no account shall be taken of any income derived from a Hindu undivided family by any individual member of the family in determining the rate at which that individual member shall pay income tax on his separate income.

5. We agree that the Act should be amended in order to make the total income determine the liability to the tax as well as the rate at which the tax should be assessed on every portion of that income, and also in order to make the deduction on account of insurance premia permissible in the case of all incomes from whatever source derived.

We are not in favour of the recommendation made by the Mohammedan members of the Madras Committee that an allowance equal to or in lieu of insurance premia should be made in the case of those communities which have religious objections against life insurance.

6. The majority of the members of the Committee are of opinion that the adjustment system should be abolished provided that the assessments made in the current year be adjusted.

As regards new businesses we are of opinion that no assessment should be made until the second year. Provision should, however, be made in the Act for businesses that close down during the course of a financial year that the Collector may assess for that year on the profits received for the portion of the year during which the business is carried on.

We consider that there should be statutory provision that the owners of a business about to be closed down should give notice to the Revenue authorities of their intention to close down the business 15 days before the business is closed down. An addition should be made to section 24 for this purpose. Rai Bahadur Ganga Ram and Dewan Tek Chand would prefer that this provision should not apply to persons who have not been previously assessed.

7. We are of opinion that all rules under the Income Tax Act should be made by the Government of India and that no rules should be made by the local Governments.

We endorse the opinion of the English Royal Commission on Income Tax in paragraph 408 (*b*) of their report that, where it can be done without detriment to the public interest, the general purport of the instructions issued to the income tax staff, so far as they affect tax-payers, should be made available to the public.

8. As regards the question of the graduation of the tax we are of opinion that the grievance caused by the "jumps" is not sufficient to justify any change in the present system. Some members consider that the Schedule should be altered by the addition of two new rates of $7\frac{1}{2}$ pies for incomes between Rs. 10,000 and Rs. 12,500 and $10\frac{1}{2}$ pies for incomes between Rs. 17,500 and Rs. 20,000. The majority, however, do not consider that even this change is required.

9. We are of opinion that the distinction between registered firms should be abolished and that the Act should make provision somewhat on the lines of the English Act for assessing the profits of partnerships as such at the highest rate. If the individual partners file their statements of personal income at the same time, the assessor will merely have to ascertain whether the whole of the partnership profits are accounted for in these personal statements, in which event he would charge the partners direct at the appropriate rate. It would be left

for the decision of the successor in each case to decide whether a partnership existed or not. The super-tax on unregistered firms should be abolished. Super-tax would then be levied on each individual partner on his total income. The only difficulty anticipated is as regards the non-resident partner. We consider that provision should be made in the Act empowering the Income tax assessor to call upon any resident partners or representatives of a firm to pay the super-tax due on the share of the profits belonging to any non-resident partner.. We do not consider it feasible to insert any provision requiring any such resident partner or reprentative of the firm to get from the non-resident partner a statement of any other income that may accrue to him in India.

10. We are of opinion that the present rules made by most local Governments providing that the tax shall only be refunded in the district in which it was levied should be abolished. and that any rules made should provide that a refund should be granted to an assessee in the district in which he is assessed to income tax, or, if he is not assessed, the district of his residence. We also recommend that it should be made obligatory on all persons who deduct income tax from interest on Government securities or the securities of companies to issue to all security holders a certificate that income tax has been deducted at the maximum rate, and that companies distributing dividends should be required by law to give a certificate that income tax has been or will be paid at the maximum rate. In both cases the amount of rate should be specified in the certificate. These certificates should be accepted as a final authority for a refund in the district in which the assessee is assessed, or, if he is not assessed, in which the assessee resides.

We recommend that applications for refunds should be received by post and that the refunds for those assessees who do not present themselves before the Collector should be remitted by money order. In such cases the cost of the money order should be borne by Government and should not be deducted from the amount refunded.

We are unable to support the recommendation of the Bombay Committee that in the case of Government securities the tax should be recovered at the lowest rate the balance due being recovered direct from the assessee by the Collector.

Recommendations Regarding Specific Sections.

SECTION 2 (2).

11. Mr. Roy put forward the proposal that the members of a Hindu undivided family should be permitted to register their shares with the Collector, and that where there is registration of the whole 16 annas share, assessment should be made individually on each member of the family only in respect of his share. He wishes this proposal to have effect although the income is not as a matter of fact actually distributed according to the registered shares. Mr. Manmohandas Ramji supports this proposal. Rai Bahadur Ganga Ram, Dewan Tek Chand and Mr. Jatar consider that the change proposed is neither possible nor desirable. The other members of the Committee do not wish to express any view upon this point, except to point out that if this proposal is carried out, the proposal previously made (paragraph 4 above) that the income derived by any individual member of an undivided Hindu family should not be taken into account in determining the rate of tax to which he is liable should have to be dropped.

SECTION 2 (4).

12. We agree to the proposal that the definition of Chief Revenue authority should be amended so as to permit a person other than the Financial Commissioner or the Board of Revenue being appointed as head of the Income Tax Department in provinces where these authorities exist. We also agree to the proposal of the Madras Committee that the designations of the Chief Revenue Authority, Collector and Commissioner should be abolished as they are likely to cause confusion and that the Income Tax authorities should be given a distinct nomenclature distinguishing between the assessor, the appellate authority and the head of the department. We also agree with the view of the Madras Committee that the Income Tax Commissioner should not be appointed as a matter of routine but should be an officer experienced in income tax work in India who is himself prepared to keep the post for a sufficient time to preserve consistency and continuity.

The Bengal members are only prepared to agree to the proposal regarding the amendment of the definition of "Chief Revenue Authority" on condition that their proposal regarding the association of non-official agency

with the Commissioner of Income tax in the disposal of revision cases and cases referred to High Court is accepted (see paragraphs 39 and 54 below).

SECTION 2 (5).

13. We agree with the proposal that the definition of "assessor" should make it clear that in cases where a business has various branches whether situated within the same province or more provinces than one, the assessor of the district in which the branch is situated should be given the powers conferred by this definition on the Collector of the headquarters district.

SECTION 2 (11).

14. We agree that power should be taken to fix by rule the "previous year" for any commercial community when the year adopted by the community does not conform with the present definition in the Act. There are two cases to be provided for, (1) the case where a commercial year may be slightly over or slightly under twelve months, and (2) the case where a commercial year ends shortly after the 31st March. In the latter case it is suggested that "previous year" should include a year terminating within one month after the end of the financial year.

SECTION 3 (1).

15. We are not in favour of the proposal of the Bombay Committee that the Act should be extended so as to make liable to Indian income tax incomes earned outside British India when not received in British India.

When an assessee domiciled in British India has an income accruing outside British India and brings that income into British India at intervals, the Act should provide that these accumulated profits shall be liable to assessment whenever brought into British India, irrespective of whether they are brought within the year in which they are earned or not.

SECTION 3 (2) (*iv*), (*v*).

16. We agree with the proposal that the concessions given to the particular provident funds mentioned in these clauses should be extended to the provident or superannuation funds of private firms and companies. It would, however, be necessary to lay down some general priciples, (in particular providing that no such privilege should be conferred upon any funds which have not

irrevocably left the control of the proprietors of the business), and these principles might suitably be inserted in the rules to be framed under the Act, pending legislation for such funds, which we understand is at present under consideration.

SECTION 3 (2) (*viii*).

17. We consider that the Legislative authorities should be asked whether this clause read with the definition of the word "business" in section 2 (3) will cover the case of a person purchasing one house with the intention of selling it for profit, and if the case is not covered, we suggest that the Act should be amended in order to provide for such a case.

SECTION 5.

18. We agree that efforts should be made to simplify the forms of return for income tax purposes so as to make them as intelligible as possible to the assessees, and that the forms should be prescribed by rules made by the Government of India.

SECTION 6.

19. We agree that this section should be amended in order to require all employers to deduct income tax from all payments to their employees under "Salaries".

SECTION 8.

20. We agree that this section should be amended so as to provide for the case of premises let for business purposes and also for the assessment under this section of such premises as wharves, millyards, etc.

In view of the heavy loss that would be involved, we are not prepared to recommend that municipal taxation should be allowed as a deduction under this section. Mr. Roy and Mr. M. Ramji would allow deductions in respect of municipal taxation on house property and would make up the loss by increasing the rates of income tax generally.

We do not consider that any allowance should be made for brokerage for arranging loans on mortgages and legal charges relating thereto as they are in the nature of capital charges.

We are unable to accept the recommendation of the Bombay Committee that, when the annual value exceeds the actual receipts from rent, tax should be levied from

the tenant on the difference, or that the landlord should be empowered to recover tax from the tenant, as this seems to us to be a matter for mutual arrangement between the landlord and the tenant.

SECTION 8 (*i*), (*ii*).

21. We consider that the allowance of one-sixth for repairs is a generous one and that there is no case for increasing it. Mr. Roy dissents and would abolish the one-sixth allowance and allow actual expenditure in every case.

SECTION 8 (*vi*).

22. We do not consider that any alteration is required in sub-clause (*vi*) regarding collection charges.

SECTION 8 (*vii*).

23. We do not consider that any alteration is required in sub-clause (*vii*) regarding the allowance for vacancies. If there is any want of uniformity or regularity in connection with any such allowance the matter could be cured by executive instructions.

SECTION 9.

24. We do not consider it necessary or possible to specify in this section all allowances which are admissible or inadmissible. Suggestions have been received from Madras for the insertion in this section of a large number of allowances most of which are generally allowed under subsection (2) (*ix*); lack of uniformity in granting deductions permissible under that sub-section can be provided for by the issue of executive instructions; in particular we consider that such instructions should be issued providing for allowances for bad debts, when consistent with the system of accounts adopted by the assessee.

SECTION 9 (2) (*iii*).

25. We agree that instructions should be issued that under section 9 (2) (*iii*) interest paid to a partner on a legal loan lent by him to the firm should be allowed as a business expense to the firm. We cannot accept the proposal made by the majority of the Madras Committee that the share of profits given to Mohammedan depositors in lieu of interest on borrowed capital should be allowed as a business expense.

26. We cannot accept the proposal made by the Bombay Committee that salaries paid to a partner should be allowed as a business expense.

SECTION 9 (2) (*iv*).

27. We agree that the allowances provided for in clause 9 (2) (*iv*) should be extended so as to cover insurance of stocks, stores and office furniture.

We are unable to support the recommendation of the Bengal Committee that allowance should be made for internal insurance by a firm itself. The non-official members from Bengal and the United Provinces dissent.

We do not consider it advisable to insert any provision in the Act for allowing as a business deduction insurance against a loss of profit. We think there should be a standing instruction that where the owner of a business asks for any such allowance it should be given on the assessee agreeing to pay income tax on any amount recovered from the insurance company. The same principle should apply to insurance against loss of rent under section 8.

SECTION 9 (2) (*vi*).

28. We recommend that the section should be amended so as to provide that depreciation at the rates sanctioned by the Government of India should be allowed every year when there are sufficient profits and only the excess of the depreciation allowance over profits should be carried forward from year to year until absorbed, that this practice should be followed whether the depreciation allowance is adjusted in the accounts or not and irrespective of the amount shown in the accounts. We agree that the sub-section 9 (2) (*vi*) should be further amended in order that the rates of depreciation approved by the Government of India should be fixed rates and not maxima, and should apply to the whole of India.

SECTION 9 (2) (*viii*).

29. We are unable to accept the recommendation made by the majority of the Madras Committee that the provisions of this section should be extended so as to provide that all municipal taxes on a business whether in respect of premises or otherwise should be allowed as a business expense even if such a tax varies with the income of the business and is in the nature of a local income tax.

SECTION 9 (2) (*ix*).

30. We are of opinion that *bona fide* expenditure for the welfare of the employees of a business should be

allowed as a business expense under this sub-section on conditions to be prescribed by the Government of India or to be agreed upon between the Government of India and the assessee. We recognise that it is impossible to make any specific provision in the Act for this purpose.

SECTION 14 (2).

31. We consider that the words "by collection in that year" should be omitted, as they are inconsistent with section 36 (5).

We agree that it is necessary to omit from this section the words "and the taxable income of such company or firm is Rs. 2,000 or upwards" and to provide for the maximum rate being levied on the whole of the taxable income of the company or firm.

SECTION 17.

32. We consider that when a particular period is prescribed in the notice within which a return must be made, that period should date from the date of service of the notice of the assessee and not from the date on which the notice was issued. We consider it unnecessary to extend the period within which a return must be furnished to 60 days, as the Collector has complete discretion to extend the period.

SECTION 17 (2).

33. We are unable to accept the recommendation made by the Bombay Committee that the old summary procedure should be reintroduced for income between Rs. 2,000 and Rs. 5,000. Mr. Manmohandas Ramji dissents from this conclusion.

SECTION 18.

34. We do not consider that any change should be made in this section on the lines suggested by the Madras Committee, *viz.*, that the Collector must specify the particular accounts and documents to be produced and not to call for all documents and accounts as we consider that the present provisions of this section are sufficiently clear.

We agree with the Madras Committee that the section should be amended in order that it should not be obligatory on the Collector in every case to call for accounts where he considers the return in any way to be incorrect. We consider that this object could be

attained by substituting the words "or produce" for the words "and produce" in sub-section (2). The object of the amendment is to provide that the Collector may dispose of a case by a personal interview with the assessee without being required by the Act to call for documents if he does not think this necessary.

We agree that the sections of the Act which provide that an assessee must attend either in person or by a pleader should be amended so as to allow the assessee to be represented by any person authorised by him.

We agree with the Bengal recommendation that a Collector should have power to call for the production of accounts whether a return has or has not been filed. We recommend that executive instructions should be issued to prevent undue detention of accounts called for by an assessor.

We do not agree with the Bombay proposal that income tax Collectors should be debarred from taking notes from accounts of the names of persons who borrowed money from or lent money to the firm that is being assessed. We agree that any such notes must be kept strictly confidential. Mr. Manmohandas Ramji and Mr. Roy dissent from this.

SECTION 18 (5).

35. We recommend that the Act should be amended in order to provide for cases where the income from salary is by itself below Rs. 2,000 and is not liable to taxation at the source, and where an assessee's total income by the addition of other income to his salary is over Rs. 2,000. This suggestion is made as section 18 (5) refers only to sections 8-11.

SECTION 20.

36. We are unable to recommend the suggestion of the Madras Committee that an assessee should in all cases be supplied free with a copy of the Collector's order of assessment along with the notice of demand. We agree, however, that an assessee should be supplied by the Collector with a copy of the order of assessment free of charge if he applies for it.

The majority of the members agree to the recommendation of the Madras Committee that where there is a change in the proprietorship of a business or profession, it should be made clear in the Act that the liability for the tax based on the income of the preceding year

attaches to the business or profession itself and that the new owners are liable for the tax although they were not owners for the whole of the time during which the profits on which the assessment is made were earned. This will also apply to cases where a company has been bought up by another company.

SECTION 21.

37. We are not in favour of the Madras Committee's proposal that an appeal should be allowed in cases where an assessee has failed to make a return or to comply with a notice requiring him to produce his accounts unless the appellate authority finds that the failure is knowing or wilful. We are, however, in favour of the proposal of the Bengal Committee that as it is very difficult to determine that a person has "knowingly and wilfully" failed to make a return under section 17 or to comply with the terms of a notice under section 18, section 21 should be amended so that any person who has after due notice and reasonable opportunity failed to make a return or to comply with the terms of a notice under section 18 should not be able to petition or appeal against an order of assessment or adjustment. Where, however, an assessment has in such a case been made under section 18 (4) and an assessee shows within one month from the date of service on him of a notice of demand to the satisfaction of the Collector that his omission to make a return or to comply with the terms of a notice under section 18 is due to want of due notice or lack of reasonable opportunity it should be open to the Collector to make a fresh assessment without the assessee having to file an appeal to the appellate authority against the original assessment. Dewan Tek Chand and Rai Bahadur Ganga Ram would prefer the Madras Committee's proposal.

SECTION 22.

38. As regards the view of the Madras Committee that the words "and fixing such time for payment as he thinks fit" in this section are inconistent with the provisions of section 35, we are of opinion that section 22 only gives the Commissioner power, when he passes his final order on the appeal, to fix a date for payment and it gives the Commissioner no power to pass an order prior to the final order on the petition, requiring that the collection of the tax assessed shall be postponed, the Collector retaining his power under section 35 at his

discretion to postpone collection pending disposal of an appeal.

We are not in favour of the suggestion mentioned by the Madras Committee that appeals should be heard by non-official persons appointed by the local Government.

SECTION 23.

39. We are not in favour of the proposal put forward by the Bengal Committee that, if a petitioner so desires it, his petition should be heard and disposed of by the Chief Revenue Authority sitting with two non-official assessors whose functions would be advisory only. We do not think it would be possible to get a panel of non-official assessors willing to undertake this duty in most of the districts, and we do not consider it advisable that the Chief Revenue Authority should always deal with revision cases at the headquarters of the province. The non-official members from Bengal dissent.

SECTION 24.

40. We recommend that this section should be amended in order to make it clear that the penalty imposed under it is a penalty and is not "income-tax."

SECTION 25.

41. We agree that this section should be amended by altering the words "at any time in the year next following" to "at any time up to the end of the year next following."

Seven of the members of the Committee are in favour of extending the period under this section to three years, provided that in making assessments or re-assessments care is taken not to call for the production of account books unnecessarily and to detain them unduly. Six members of the Committee would retain the period of one year.

We agree that the last words of the section "and all the provisions of this Act shall apply accordingly" should be amended in order to make it clear that all that is necessary is that the Collector should commence the proceedings for the assessment or re-assessment within the period prescribed by this section.

SECTION 26.

42. We agree with the proposal put forward by several provincial committees that this section should be

amended so as to allow the Collector to rectify mistakes of his own motion.

We agree that it should be made clear, either by re-wording the section itself or by executive instructions, that the word "mistake" in this section refers only to a mistake which is patent from the facts or documents which were before the assessing officer when he passed the original assessment order and that it is not intended either to confer a general power of review or to authorise any assessee to introduce new facts. The period under this section should be the same as in Section 25.

We recommend that the word "may" in the first line of the section should be replaced by the word "shall."

SECTION 28.

43. We agree with the proposal of the Bengal Committee that provision should be made in this section to enable a Collector to require information to be given regarding specific payments when there is reason to believe that such payments could become liable to income-tax in the hands of the recipients. Mr. Manmohandas Ramji dissents on the ground that the Bombay Committee are opposed to any attempts to obtain information regarding the income of any assessee from any other party.

SECTION 33.

44. We are unable to propose, as recommended by the Bombay Committee, any suitable definition of the words "business connection" and "agent." We are, however, of opinion that special efforts should be made to make the working of this section uniform and to define the policy to be followed throughout the whole of India, either by rules or by executive instructions.

SECTION 35.

45. We do not see any reason to accept the Madras proposal for omission of the words "or if a time is not so mentioned, then on or before the first day of the second month following the date of the notice or order."

SECTION 36.

46. We agree with the proposal of the United Provinces Committee that sub-section (1) of this section should be divided into two sub-sections, one providing

separately for levy of the penalty and one for realisation of the demand.

We do not think it is necessary to alter this section as proposed by the Madras Committee in order to make it possible to arrest a defaulter in the Madras City.

SECTION 37.

47. We consider that it should be made clear in the Act that where income-tax is deducted at the source it is the gross amount of the income before the income-tax is deducted that is to be taken into consideration in determining the rate at which an assessee shall be liable to income-tax on the rest of his income and also in determining his liability to super-tax.

Clause (*b*) of this section should be amended in order to make it clear that it is the amount of the profits to which a partner is entitled and not the profits which he has actually received which determines his personal liability to income-tax and his claim to a refund.

SECTION 38.

48. We consider that the period within which claims for refund under Section 37 should be allowed should be extended to three years from the last day of the year to which the claim related, if a similar extension is made with regard to the period prescribed in Sections 25 and 26.

SECTION 40.

49. We agree with the Bengal Committee that the question should be considered of whether a reference to Section 28 is required in this section, as it is not clear whether such reference is necessary in order to bring Section 177 of the Indian Penal Code into operation against a person who makes a false statement under Section 28.

SECTION 41.

50. As regards a suggestion from the Madras Committee for an alteration regarding the officer empowered to sanction prosecutions we think that the power to sanction prosecutions should be conferred upon the appellate authority under the Act and not upon the Income-tax Collector.

SECTION 42.

51. We agree that this section should be amended in order to make penal the disclosure of any information

contained in any income-tax assessment record or any evidence or answer given by any person examined by revenue authorities.

We also think that it should be made clear in the Act that these documents or records cannot be called for by civil courts and suggest that the wording of the English Act should be followed, preventing public servants from disclosing information obtained in connection with the assessment of incomes except to such persons only as act in the execution of the Act, and where it shall be necessary to disclose the same to them for the purposes of the Act, or in order to, or in the course of, a prosecution for perjury committed in connection with proceedings under the Act.

We are further strongly of opinion that the practice in certain provinces of furnishing information to local authorities, who impose a tax on "circumstances and property" or a local income-tax of the details of assessments made by the income-tax authorities must be stopped.

We do not accept the proposal of the Madras Committee that for the words "Local Government" the words "District Officer or Magistrate or an officer of his status" should be substituted in the proviso, as Section 50 empowers the Local Government to delegate its powers to the head of the Income-tax Department.

SECTION 46.

52. The Legislative Department might consider the objection raised by the Madras Committee to the words "by the delivery or tender to him" in this section. That Committee recommends that the section should be amended in order to make it clear that a notice may be served in the manner prescribed in the Code of Civil Procedure for the service of summons.

SECTION 47.

53. We agree to the proposal of the United Provinces Committee that this section should be so worded as to make it clear that the reference to the Government of India under this section is optional and not compulsory: that is, where the provinces concerned agree as to what is to be considered the principal place of business, no reference need be made to the Government of India.

SECTION 51.

54. We are of opinion that a reference to the High Court should be made only on a question of law and not on a question of fact. Mr. Manmohandas Ramji dissents. We agree to the proposal that this section should be amended so that the Chief Revenue Authority should no longer have power to withhold a reference to the High Court on the ground that an application is frivolous, or that a reference is unnecessary, but should be required to state a case to the High Court on the application of an assessee. Also that in order to provide against frivolous and unnecessary applications the section should contain a provision that every such application should be accompanied by a fee of Rs. 100. In order to safeguard the revenue the section must provide that the fact that a case has been stated to the High Court, shall not in any way stop the collection of the income-tax due from the assessee. The assessee must pay the tax, but if owing to the judgment of the High Court the amount of assessment is reduced the amount overpaid shall be refunded with such interest if any as the High Court may allow. Two members of the Committee would levy a fee of Rs. 20 and one member would charge no fee at all. The Bengal representatives and Mr. Birch are of opinion that there should not be an unrestricted right of appeal but that if the Chief Revenue Authority does not state a case on an application it should be open to the petitioner to require him to reconsider his decision sitting with 2 non-official assessors, the opinion of the majority to prevail.

We unanimously agree to the proposal of the Madras Committee that the section should be further amended in order to make it clear that the application for reference need not be made before the final order is passed by the Chief Revenue Authority but should be made within one month after the passing of the order. In order to secure the revenue such a reference should only be made after the assessment order has been passed.

We unanimously agree that no authority order than the Chief Revenue Authority should be required or allowed to state a case.

GENERAL.

54(*a*). We do not consider that any alteration is required in the definition of "Magistrate" in Section 2 (9) of the Act as suggested by the members of the Madras Committee.

55. We agree to the proposal made by several Provincial Committees that losses under one head of income should be charged against profits under another. Under the wording of Section 14 it is the aggregate amount chargeable under each head that determines taxable income, so that where a person has carried on a trade or profession and also has an income from house property if he has incurred an actual loss in the trade, the figure adopted under that head in arriving at the aggregate amount of income chargeable to income-tax is *nil* and not a minus sum. The majority of the Committee 8 against 6 are opposed to the proposal made by the Bengal Committee that business losses should be carried forward for 3 years.

56. The majority of the Committee are opposed to the Bengal Committee's proposal that provision should be made in the Act for making persons who are liable to income-tax liable to submit a return to the Collector of Income-tax whether called upon to do so or not.

57. We do not accept the recommendation of the Bombay Committee that accountants who claim to have examined accounts of a taxpayer should be called upon to make a declaration on oath that the accounts are correct for income-tax purposes and that a penalty should be imposed where certified accounts are found to be incorrect from this point of view.

58. With reference to proposals of the Bombay Committee and the United Provinces Chamber of Commerce we consider that there should be no alteration in the present provision regarding the super-tax on companies; more particularly in view of the loss of income involved. Under the terms of our reference we are debarred from making any proposals involving a loss of revenue unless accompanied by proposals for recouping that loss.

59. Our opinion has been asked by the Government of India on certain difficulties experienced in the working of Rule 15 of the Devolution Rules which provides for the provinces obtaining a share in the growth of income-tax receipts in so far as that growth is due to an increase in the amount of income assessed. The difficulty is that income-tax on the profits of a Company is collected in the province in which the headquarters of the Company is situated and the province where the whole of the operations of the Company are carried on, does not collect any income-tax from the Company. The non-

official members recognize that there must be hardships in many cases but they are unable to lay down any general rule and leave it to the Government of India to decide where a case is such as to require any specific action. The case of Tata's Iron and Steel Works was considered an exceptional case. The non-official members of the Committee (other than the Bombay representatives) think that in this particular case as the whole operations of the Company are conducted in Behar and Orissa and as the Company itself has asked that the Income-tax assessed on it should be collected in Behar and Orissa, the Government of India should reconsider their previous decision in the matter.

Where the assessment of a Company or firm or business is transferred from one province to another, subsequent to the year 1920-21, the Committee are unanimously of opinion that the amount of income assessed in provinces in 1920-21 for the purpose of this Rule should be reduced in the case of the province from which the Company is transferred and a corresponding increase made in the assessed income of the province to which the business is transferred.

60. With reference to the suggestion of Mr. Manmohandas Ramji that provision should be made for the alleviation of the burden of double income-tax where the same income, or part of the same income, is taxed in more countries than one, it was explained that at a conference between representatives of the Home Government and the Dominions and of India an agreement was arrived at to the following effect :—

That in respect of income tax both in the United Kingdom and in India there should be deducted from the appropriate rate of the United Kingdom income-tax (including super-tax) the whole of the rate of the Indian income-tax charged in respect of the same income, subject to the limitation that in no case should be maximum rate of relief given by the United Kingdom exceed one half of the rate of the United Kingdom income-tax (including super-tax) to which the individual taxpayer might be liable, and that any further relief necessary in order to confer on the taxpayer relief amounting in all to the lower of the two taxes (United Kingdom and Indian) should be given by India. That is to say, the proposal is that where income is liable to taxation both in the United Kingdom and in India, it should pay only at the highest rate leviable in

either country. These proposals have been accepted by the Government of the United Kingdom and are embodied in Section 27 of the Finance Act of 1920. Under that provision a person whose income is assessed both in the United Kingdom and in India is entitled to claim from the authorities United Kingdom a refund or rebate of the rate levied in India up to one half of the English rate. We recommend that the Indian Act should be amended in order to implement the bargain arrived at and to provide that where any further relief is to be given in order to secure that such a person shall not pay a rate higher than the highest rate in either country, such relief will be given by India, subject to the limitation that the relief given in India shall not exceed half of the rate of income-tax and super-tax combined. At present the Indian rates of income-tax and super-tax combined are less than half of the rates in the United Kingdom, and therefore no loss will at the outset be incurred to Indian revenues from this arrangement. Loss will only be incurred when owing to any alteration in the rates, the Indian rate is more than half the English rate, and the loss would be merely be the amount by which the Indian rate exceeds half the English rate.

61. The non-official members of the Committee desire to record their opinion that a matter of greater importance than the amendment of the Act is an increase in the number and efficiency of the staff, which should consist of officers of the highest training and integrity. They would emphasise that the Income-tax Department should include experts of high standing trained in accountancy whose remuneration should be such as to reflect the market value of their professional experience and attainments. Accountancy should be one of the foundations of training for the whole service. The scale of pay should be such as to attract the best material available and all posts in the department including the highest should be open to any officer of proved experience and capacity.

62. We are recommended that all the rules under the Act should be made by the Government of India and that local Governments should have no power to frame any rule. We have further throughout our report recommended that numerous details regarding assessment and the interpretation of provisions of the Act can only be settled and made uniform by issue of the rules and instructions. It is therefore essential in our opinion that the Govern-

ment of India should have at least the nucleus of a department with the functions similar to those of the Board of Inland Revenue in England.

63. In conclusion the non-official members of the Committee desire to place on record their appreciation of the services rendered by Mr. Sim, and the other officers associated with him in preparing the materials for the consideration of the Committee and of the assistance rendered by them during the sittings of the Committee.

(Sd.) ALEX. R. MURRAY.
" JADU NATH ROY.
" S. H. TAYLOR.
" W. GASKELL.
" TEK CHAND.
" F. McCARTHY.
" K. S. JATAR.
" W. B. KIRKWOOD.
" A. TOTTENHAM.
" C. BIRCH.
" MANMOHANDAS RAMJI.
" GANGA RAM.
" G. G. SIM.

SIMLA,
The 15th July, 1921.

APPENDIX G-2

ALLOWANCE FOR INSURANCE PREMIUMS UNDER THE INCOME TAX ACT, 1918.

111, Esplanade Road,
Fort, Bombay,
14th March 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear sir,—I beg to send herewith enclosed copy of an article re: "Insurance premium and the Indian Income Tax Act of 1918," which appeared in the Bombay Chronicle and in the Times of India, on the 12th and 14th inst, respectively. I hope your Committee

will look into the matter and bring about the required amendment in the Act, by approaching the Government of India through the proper channel.

Please acknowledge receipt, and let me know what your committee propose to do in the matter.—Yours faithfully,

HARILAL B. PARIKH.

Insurance Premium and the Indian Income Tax Act of 1918.

"I beg to draw attention of all interested, chiefly the manufacturers and their representative commercial associations to the incomplete provision made for allowance under the heading of insurance in the Indian Income Tax Act of 1918, and to the complaints and petitions raised against such assessments and the consequent hardships the assesser has to undergo to prove his case. Section 9 (2) (IV) of the Act provides that profits shall be computed after making the allowance in respect of sums paid, namely "in respect of insurance against risk of damage or destruction of *buildings, machinery* or *plant,* used for the purpose of the business the amount of any premium paid." 'Plant' has been interpreted to mean stores and such other articles which are necessary in the process of manufacture. Every manufacturer or every business-man knows that over and above the aforesaid insurances he has got to insure, against loss or damage by fire, raw materials, stock in process, and stock-in-trade; and moreover there are other insurances namely, transit insurance, profit insurance against profit and standing charges, etc., which are totally left out from the consideration of the above clause in the Act. To safeguard his income every manufacturer naturally insures all the above items, and regards the premia paid for them as expenses necessary in maintaining his profits. It is on the amounts of these profits that the income tax is charged. If any or all of the above items be not insured, the profits of the assessee would, in case of fire, be diminished to the extent of the loss caused by it, and the assessable income would thereby be affected. The above insurances safeguard the interests not only of the manufacturer, but also of the income-tax office, and therefore the premia incurred by the manufacturer on these insurances should be allowed to be deducted as

expenditure from the gross proceeds. Again, it would also be interesting to know that the income tax office, as far as I am aware, charges income tax on the amounts which are realised by the assessee for loss due by fire.

The Income Tax Officers though they seem to be aware of the above shortcoming in the Act, insist on the wording of the Act being carried out, and do not allow insurance premia other than those paid for buildings, machinery or plant, to be deducted as expenses from the gross earnings. This is, Sir, an evident injustice to the public; and our representative associations such as Chamber of Commerce, and Mill Owners' Associations, should take up this matter with the Government, and our Members in the Legislative Assembly should also call upon Government to amend the Act."

No. 698/56 of 1921.

Chamber or Commerce,
Bombay 31st. March 1921.

The Secretary to the Government of India,
Finance Department,
Simla.

Sir,—I am directed to invite the attention of the Government of India in your Department to the provisions of the Indian Income Tax Act, VII of 1918, Section 9, sub-section (2), Clause (IV), reading as under :—

"Such profits shall be computed after making the following allowances, in respect of sums paid, namely .....(IV), in respect of insurance against risk of damage or destruction of buildings, machinery or plant used for the purposes of the business, the amount of any premium paid."

2. In the above connection I am to explain that, in the past, the Collector of Income Tax, Bombay has allowed considerable latitude in the interpretation of the section above quoted. Such latitude, my Committee submit, was in accordance with the expressed intentions of the Select Committee appointed to examine the Bill on its presentation in the Imperial Legislative Council and subsequently embodied in paragraph 10 of their report viz.

"10. We have considered at great length the provisions of Clause 9 which is a very important Clause. We

have accepted the view that provision should be made for depreciation of the furniture, etc. in the case of hotels and similar property, and this we have effected by separating in the Bill plant and machinery. The word "Plant" has a wide meaning and, if so separated, will cover all reasonable cases of this kind."

3. The attention of my Committee has, however, recently been drawn to the fact that the present Collector is refusing to permit allowances to be made, under the foregoing section, in respect of: —

(*a*) Profit and fixed charges insurance premiums.

(*b*) Insurance on stocks, stores, etc.

4. With regard to item (a) I am to state that my Committee consider a deduction in respect of such charges is a proper deduction under Section 9, Sub-section 2, as being expenditure not of a capital nature incurred solely for the purpose of earning the assessee's profits.

5. In the same way item (b) would also appear to be a proper deduction and my Committee are of opinion that the Collector is in error in maintaining that stocks and stores borne by the assessees, and utilised by them for the carrying on of their business, are not "plant" within the meaning of the said section. Alternatively my Committee submit that deductions in respect of the item in question are in order, within the meaning of the section, as the expenditure is solely incurred for the purpose of earning the assessees' profits.

6. In addition, however, to the particular instances above quoted my Committee are strongly of opinion that it is most desirable that assessees should be encouraged to insure as fully as possible, not only in their own interests on commercial grounds, but also from the point of view of Government in whose interest it is, it may be assumed, that profits should be assured as far as possible. In the opinion of my Committee the rulings of the present Collector in the matter must inevitably lead to under-insurance and its accompanying risks, quite apart from the immediate and serious hardships they inflict upon the commercial community. Moreover, as previously explained, my Committee are of opinion that section 9 Sub-Section 2, of the Act is not being applied, in the case of this city, in the manner intended by the Select Committee, whose recommendations in that connection were presumably accepted by the Government of India.

7. Finally I am to request that this representation may receive the careful consideration of the Government of India. The wording of the Act as it stands at present would appear to be a contributory cause of the present position in as much as it is obviously open to interpretation in a manner far removed from that originally contemplated and it may be considered advisable for certain consequential changes in the wording to be effected. In any case I am to state that my Committee will be glad to receive the views of Government in the matter at an early date and they would suggest that copies of this correspondence might be sent to the Collector of Income Tax, Bombay, for his information and guidance.—I have etc.,

C. B. SAYER,
Secretary.

No. 1222-F.

Government of India,
Finance Department,
Simla, the 15th April 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed to acknowledge the receipt of your letter No. 698-56, dated the 31st March 1921 on the subject of the interpretation of Section 9 (2) (iv) of the Indian Income-tax Act 1918 (VII of 1918) and to say that it is under the consideration of the Government of India and orders will issue in due course.—I have etc.

P. R. RAU,
Asstt. Secretary to the Government of India.

No. 1476-F.

Government of India,
Finance Department,
Simla, the 11th May 1921,

The Secretary, Chamber of Commerce,
Bombay.

Sir,—In continuation of Mr. Rau's letter No. 1222-F., dated the 31st March 1921 on the subject of the inter-

pretation of section 9 (2) (iv) of the Indian Income-tax Act, 1918, I am directed to say that the administration of the Income-tax Act is left largely in the hands of the local Government to whom your communication should have been directed. The Local Government is being addressed upon the subject and is being asked to report upon the matter.

2. I am also to suggest that the points referred to in your letter might suitably be brought before the Committee which the Government of Bombay have appointed for the purpose of considering what amendments are required in the Income-tax Act and the rules made thereunder, more particularly regarding the assessment of mercantile profits.—I have etc.,

G. G. SIM,
Joint Secretary to the Government of India

APPENDIX G-3.

SUPER-TAX ON BRANCH LINE RAILWAY COMPANIES' PROFITS.

No. R. C. S. 131.

Killick, Nixon and Co.
Home Street, Fort,
Bombay, 23rd August 1921.

The Chairman, Chamber of Commerce,
Bombay.

Dear Sir,—We wish to draw your attention to the way in which the present Super Tax on Companies' profits operates against Companies formed under the Government of India Branch Line Terms for financing Feeder Railways to Main Lines.

2. You are aware that this Super Tax is at present assessed at the rate of one anna in the rupee on Companies' profits in excess of Rs. 50,000. This being so, the following situation arises and is one which, we maintain, is most inequitable to investors in the shares of a Branch Railway Company.

(*a*) A small commercial Company having a Subscribed Capital of Rs. 2,00,000 earns

Rs. 44,000 in a year, pays a Dividend at the rate of *22 per cent.* per annum to its Shareholders and *is not liable* to pay Company Super Tax at all.

(*b*) A Branch Railway Company having a Subscribed Capital of Rs. 100,00,000 earns Rs. 5,25,000 a year. Out of this Revenue Government receive Rs. 12,500 as their share of Surplus Profits. The Company will have to pay a Super Tax of Rs. 28,906 with the result that there will only be a sum of Rs. 4,83,594 available out of which to pay a Dividend to Shareholders. This sum will provide a Dividend at the rate of 4·8 per cent. per annum only and the Company thus cannot fulfil the admitted intention of the Government of India Branch Line Terms, which were framed in order to secure a return of at least 5 per cent. per annum to investors in this class of security.

3. We have drawn the attention of Government to this somewhat anomalous position and have suggested that a fair way of dealing with the matter would be to assess Branch Railway Companies for Super Tax on their profits earned in excess of a sum sufficient to pay a Dividend at the rate of 5 per cent. per annum. We have, however, been informed that this point has already received the consideration of Government and has been found to be impracticable.

4. Further, if Government cannot be persuaded to alter the method by which the assessment of this Tax is made, the following second point arises.

5. Government have admitted that this Super Tax on Companies' profits was imposed in place of the Tax on the undistributed profits of Companies and consequently this Super Tax is a *Company* Tax pure and simple and is in no sense an *Individual* Tax. We therefore submit that Super Tax, as at present assessed in the case of Railway Companies formed under Branch Line Terms, must be treated as a legitimate Company charge and be deducted from such Companies' Net Earnings before the Rebate calculation or division of Surplus Profits with Government under the Branch Line Terms is made. If this were done, it would ensure that the Rebate Terms would enable a minimum Dividend of 5 per cent. per annum to be paid to Shareholders in Branch Railway Companies as was the case before the imposition of this Tax, and

would do away with the position, which at present exists, that when a Branch Railway Company does not earn by itself sufficient to pay a 5 per cent. Dividend to its Shareholders and has to claim Rebate from Government with a view to a 5 per cent. Dividend being paid, this is not possible as the amount available for Dividend, plus Rebate, falls short of what is sufficient to pay 5 per cent. by the amount of the Super Tax. Consequently one of the main objects for which the Government of India Branch Line Terms were framed, is defeated by the action of the Government of India themselves.

6. We have also put this further point before Government and have been informed that what we wish is contrary to the first principles of Government Taxation and is impracticable.

7. In view of the fact that we have been unsuccessful in obtaining an assurance from Government that this obviously inequitable Tax will be modified so far as Branch Railway Companies are concerned, we now wish that an endeavour be made to move the Council of State, through the representative of your Chamber, to redress the grievance and we should be glad if you could arrange that this be done.

8. If you desire it, we shall be glad to supply you with copies of the correspondence we have had on this subject with Government and give you such further information that you may desire.—Yours faithfully,

per pro Killick, Nixon & Co.
H. F. LODGE.

No. 1620·239.

Chamber of Commerce,
Bombay, 24th August 1921.

The Hon'ble Mr. A. H. Froom,
Simla.

Dear Mr. Froom—At a meeting of the Committee held this afternoon consideration was given to a letter from Messrs. Killick Nixon & Co., on the subject of the manner in which the present Super Tax on Companies' profits operates against Companies formed under the Government of India Branch Line Terms.

From the letter, copy of which I enclose, together with the Government resolution embodying the terms in question, you will observe that we have been asked to move the Council of State, through you, with a view to

the grievances being redressed. As, however, the Committee understand Messrs. Gillanders Arbuthnot & Co. and other Calcutta houses are equally, and as directly, interested they would suggest that you discuss the question with the Calcutta representative with a view to take such action as you may both consider feasible and, if necessary, to discuss the question afresh with the Railway Board.

The point raised by Killick Nixon's has not previously been referred to the Chamber but it was brought up to the Chairman in connection with the meeting of the Income Tax Committee and he understands that several of the firms concerned have made repeated representations, with the results described in the letter. It is, therefore, probably unlikely that Government will be moved in the matter.—Yours sincerely,

C. B. SAYER,
Secretary.

No. 1626-239.

Chamber of Commerce,
Bombay, 27th August 1921.

Messrs. Killick, Nixon & Co.,
(Railway Department)
Bombay.

Dear Sirs,—I am directed to acknowledge receipt of your letter, No. R. C/S. 131, dated the 23rd August 1921, on the subject of the manner in which the present Super Tax on Companies' profits operates against Companies formed under the Government of India Branch Line Terms.

In reply I am to state that a copy of your letter has been forwarded to the Chamber's representative on the Council of State with the request that he shall discuss the question with the Calcutta representative with a view to take such action as may be considered feasible and, if necessary, to discuss the matter afresh with the Railway Board.

A further communication shall be addressed to you upon receipt of a reply from the Hon'ble Mr. Froom.—Yours faithfully,

C. B. SAYER,
Secretary.

No. R. C/S. 158.

Killick, Nixon & Co.,
Railway Department,
Home Street, Fort,
Bombay 3rd October 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—With reference to the correspondence ending with your letter No. 1626/239 of the 27th ultimo we are sending you herewith for your information a copy of a letter which Messrs. Gillanders Arbuthnot & Co., of Calcutta have addressed to the Bengal Chamber of Commerce with a view to the representative of that Chamber co-operating on the subject with your representative on the Council of State.—Yours faithfully,

per pro Killick, Nixon & Co.
H. F. LODGE.

R. G. 1323.

Calcutta 28th September 1921.

Messrs. Killick Nixon & Co.,
Railway Department,
Bombay.

Dear Sirs,—We are in receipt of your letter No. RCS/132 of 24th August and thank you for a copy of the letter you have addressed to your Chamber of Commerce in the matter of Company Super Tax. We now beg to enclose copy of our letter of 7th September to the Bengal Chamber of Commerce and while we have not yet received a reply to this, we are given to understand that it has received support from other quarters and that arrangements are being made for the Bengal Chamber of Commerce representative to bring up the matter in co-operation with Mr. A. H. Froom in the Council of State.

If nothing happens before January, it might be as well also to bring the matter before the meeting of Associated Chambers of Commerce to be held here in January next.—Yours faithfully,

(Sd.) GILLANDERS ARBUTHNOT & Co.

No. R. G./1293.

7th September 1921.

The Secretary, Bengal Chamber of Commerce,
Calcutta.

Dear Sir,—We beg to address you on the subject of Company Super Tax, and in particular on the unfair incidence of this Tax on Companies formed under the Government of India's terms for financing feeder railways to main lines.

Company Super Tax as you are doubtless aware is assessed at one anna in the rupee on Company's profits in excess of Rs. 50,000 and this we submit is an entirely unfair and unsound principle on which to base any tax, on account of the anomalous results shown as between Companies with a small capital and those with a large capital. Two simple instances suffice to show this :—

(*a*) A Company with a capital of Rs. 1 lakh earns Rs. 49,000 profit and may pay a dividend of 49 per cent. and escape this tax altogether.

(*b*) A branch line Railway Company with a capital of Re. 1 crore earns Rs. 5,25,000. Of this Rs. 12,500 is payable to Government as their share of Surplus profits and Rs. 28,906 is payable as Company Super Tax. This reduces the amount available as dividend to Rs. 4,83,594, or say to 4.8 per cent. per annum.

The peculiar hardship to shareholders in branch line railway Companies lies in the fact that Government drew up the rules for financing such enterprises with the clear intention of permitting a certain return to shareholders, but as a result of this tax, until such companies have developed to an extent as not only to be free from all financial aid in the shape of Government guarantee or rebate on interchanged traffic, but to be earning a considerable sum *in addition*, there is no prospect of shareholders receiving a dividend equivalent to the intended return.

As a peculiarly flagrant case of the inequity of this tax we would cite the case of the Sara-Sirajganj Railway Co., Ltd. This Company has a capital of Rs. 80 lakhs, held by about 2,700 shareholders. The majority of

shareholders hold shares to the value of less than Rs. 1,000 while a large number hold only one share apiece. These shareholders are mostly Indians resident in the district served by the Railway and in a great number of cases their means must be so small that they are not liable to pay any income tax whatsoever. Under the existing law however they are mulcted to the full in Company Super Tax.

Super Tax as an individual tax is admittedly a rich man's tax, and we submit that its Company equivalent should be a rich Company's tax, by which expression we mean a Company which has a large income in proportion to its capital. By exempting individuals under Rs. 50,000 from Super Tax a rich man is taxed on his rich man's income but the exemption of the first Rs. 50,000 of a Company's earnings does not have the same effect because the Company is not an individual and its profits have to be distributed among its individual members in proportion to their individual share in the Company.

We beg to submit therefore that the basis of this tax should be altered in order to prevent such anomalous cases as we have quoted above, or alternatively that Branch Line Companies should be assessed only on their profits in excess of a sum sufficient to pay a 5 per cent. dividend.

If however Government refuse to concede either to these two proposals the following point arises.—

We submit that this Super Tax being a purely *Company Tax* as distinct from an individual tax must be treated as a legitimate Company charge, and therefore deducted from the net earnings of the Company before calculation of Government guarantee or rebate from the main line. If this were done it would enable dividends to be paid at the same rate as that 'virtually guaranteed' under the Government Branch Line terms, as was the case before this tax was introduced.

In view of the fact that we have been unable to obtain from Government any relief on behalf of our Companies in this respect we now beg that the Chamber of Commerce should endeavour to move the Council of State in this matter through their representative—Yours faithfully.

No. 2087–239.

Chamber of Commerce,
Bombay, 22nd November 1921.

Messrs. Killick, Nixon & Co.,
Bombay.

Dear Sirs,—With reference to your letter, No. R.C./S. 131, dated the 23rd August 1921, and subsequent correspondence on the subject of the manner in which the present Super Tax on Companies' profits operates in the case of companies formed under the Government of India Branch Line terms, I am directed to say that the contention urged in the fifth paragraph of your letter has been represented in the strongest possible manner to the Railway Department of the Government of India who, however, have now finally advised my Committee, through the Hon'ble Mr. A. H. Froom, that they can take no action in the matter. The Finance Department, who have also been approached have replied to the same effect adding, however, that the question is solely one for the Railway Department to determine.

2. In the circumstances I am to say that my Committee regret they are unable to proceed further in the matter at the present juncture, but I am to add that if the question is raised by the Bengal Chamber at the forthcoming Conference of Chambers this Chamber's representatives at the Conference will be prepared to lend their whole hearted support to any resolution in the foregoing behalf which may be moved by the Bengal Chamber.—Yours faithfully,

C. B. SAYER,
Secretary.

APPENDIX G-4.

THE SUPER-TAX ACT.

No 550 A. C.

The Associated Chambers of Commerce
of India and Ceylon, Royal Exchange.

Calcutta, 8th March 1921.

The Secretary, Chamber of Commerce.
Bombay.

The Super-tax Act, 1920.

Dear Sir,—In submitting the subjoined papers for your information I am to ask for an expression of the

opinion of your Chamber as to whether the Association should take action, and if so, in what direction.—Yours faithfully,

H. M. HAYWOOD,
Secretary.

Letter dated Rangoon, the 28th February 1921, from the Burma Chamber of Commerce, to the Associated Chambers of Commerce of India and Ceylon.

Super Tax

I am directed to enclose correspondence on this subject, and to invite you to be so good as to take such action as your Members may decide to be necessary.

Letter dated February 18th 1921 from Messrs. Steel Brothers & Co., Ld., Rangoon, to the Secretary, Burma Chamber of Commerce, Rangoon.

Indian Super-tax Act.

Over a period of the past ten months we have been in communication with Government regarding the question of "multiple" taxation which in cases where present companies have subsidiary and sub-subsidiary interests means that Super-tax can be collected on the first subsidiary company's profits to a total of say six annas per rupee.

We have been able to obtain no satisfaction from the Government of India, however, as will be seen from the last items in following copies of correspondence, which we enclose for the information of your Committee:—

(1) Letter to the Financial Commissioner to the Government of Burma, dated 1st April 1920.

(2) Letter from the Secretary to the Financial Commissioner, Burma, dated 8th April 1920.

(3) Letter from the Revenue Secretary to the Government of Burma, dated 19th August 1920.

(4) Letter to the Revenue Secretary to the Government of Burma, dated 3rd January 1921.

(5) Letter from the Revenue Secretary to the Government of Burma, dated 20th January 1921.

It appears to us that it is now essential to take the course suggested in the last para, of the Revenue Secretary's letter of 20th ultimo and have a resolution on the subject put forward in the Imperial Legislative Council, and we shall be obliged if your Committee will

take the necessary steps to have this done both direct and through the medium of the Associated Chambers of Commerce of India and Ceylon.

To save time we have to advise you that we are sending full copies of the foregoing correspondence and of this letter to the Hon'ble Mr. E. J. Holberton, C.B.E., and Mr. F. McCarthy, un-officially.

Letter, dated April 1st, 1920, from Messrs. Steel Brothers & Co., Ld., Rangoon, to the Financial Commissioner to the Government of Burma, Rangoon.

We have the honour to invite your attention to the terms of the New Super-tax Act and to point out that taxation thereunder will operate with undue severity on companies with capital invested in subsidiary companies amounting in fact to double and even treble taxation of the same profits.

Section 3 of the New Super-tax Act reads as under:—

Taxable Income.

3. For the purpose of this Act taxable income shall be the taxable income computed in the manner laid down in Chapter I of the Principal Act, subject to the following modifications, namely, that the proviso to Section 7, Sub-section (2) of Section 12 and Sub-section (2) of Section 14 of that Act shall have on application, and that Sub section (1) of Section 12 shall have application only in the cases of unregistered firms and Hindu undivided families.

Sub-section (1) of Section 12, of the principal Act (referred to above) reads as under—

Exclusions of a general nature.

12. (1) In computing the amount of the income chargeable to income-tax in the case of an assessee under any of the foregoing heads, no account shall be taken of any income which the assessee enjoys as a member of a company or a firm or of an undivided Hindu family where the company, the firm, or the family, is liable to the tax.

The application of Sub-section (1) of Section 12 of the principal Act is expressly withheld in the case of individuals and companies who are thus liable for payment of Super-tax on dividends received from companies whose profits have already borne this tax.

An amendment to remove this anomaly was moved in the Imperial Legislative Council by Sir Fazulbhoy

Currimbhoy and supported by Mr. Crum but was negatived. From reports of the discussion however it would appear that the case argued was that of the individual receiving his income in the form of dividends, who would still be liable to pay Super-tax if his total income amounted to more than Rs. 50,000. The Finance Member's defence of this double incidence of taxation on the individual is contained in the undernoted extract from his speech in introducing the Amended Bill—

"The bill as drafted does definitely imply that some individuals will have to pay Super-tax in some form or another twice over, that is to say after that portion of their income which is represented by dividends in companies has paid one anna flat rate their income as a whole will also pay the ordinary Super-tax rate to the extent by which it exceeds Rs. 50,000 per annum. We are unable to calculate with any exactitude what would be the cost of giving relief in this respect, but it would probably be considerable, and as I have explained above it is a relief which would be needed in case of those drawing a very considerable income from the dividends of companies. After all the total Super-tax in the most extreme cases will be below four annas in the rupee, and had we proceeded in a different way designed to secure us the same revenue without the apparent anomaly of double taxation we should not, I think, have been held to have inflicted undue hardship if we had raised the Super-tax on incomes of this magnitude to four annas."

It is clear from the above that the incidence of the tax on "parent" companies (and the shareholders thereof) with capital invested in "subsidary" companies was either overlooked or ignored. The Finance Member definitely states that the total Super-tax paid on any profits will in the most extreme cases be below four annas in the rupee. We give below an instance affecting ourselves (and we imagine there must be other similar cases) where the total tax will amount to as much as six annas in the rupee :—

Steel Brothers & Company Limited are shareholders in the Indo-Burma Petroleum Co., Ld., who are shareholders in The Attock Oil Co., Ld., Rangoon.

The Attock Oil Company are liable to pay a Super-tax of one anna in the rupee, on their profits. The Indo-Burma Petroleum Co., Ld., are again liable to pay one anna in the rupee on dividends received from the Attock

Oil Co.; Steel Brothers & Co., Ld. are once again required to pay one anna on dividends received from the Indo-Burma Petroleum Company, Ltd. Shareholders in Steel Brothers & Co., Ld., are liable to pay Super-tax on their incomes including Steel Brothers dividends on a graduated scale rising to a maximum of 3 annas in the rupee; their share of profits in the Attock Oil Co., Ld, is thus taxed to the extent of 6 annas in the rupee. (This is in addition to the payment of Income tax at 1 anna in the rupee by the Attock Oil Co., Ld.)

The Government of India do not appear to have contemplated the possibility of payment of Super-tax *by a company* on profits that have already been assessed for Super-tax. They assume that "in the most extreme cases" the tax would amount to 4 annas in the rupee, say:—

by a company	...	...	... *1 anna.*
by an individual	...	...	... *3 annas.*
		Total	... 4 *annas.*

It is obvious therefore that if the tax is to be equitably administered protection must be given to shareholders of companies with investments in subsidiary companies, against reduplication of Super-tax such as in the case shown above. This can be done by extending the application of Sub-section (1) of Section 12 of the Principal Act to companies as well as unregistered firms and Hindu undivided families. This would leave *individuals* still liable to pay Super-tax on dividends, on which Super-tax has been paid *once* by a company, and this is the utmost extent to which the Government of India on the Finance Member's own exposition, intends the tax to be levied.

The matter is one of great importance to a concern like ourselves whose interests extend into a number of subsidiary companies. We put the position before you with the request that the issue raised will be given the full consideration of the Local Government, and that the Government of India be asked to re-examine the question and take the necessary steps to modify the application of the Act.

Letter No. 151, dated April 8th, 1920, from the Secretary to the Financial Commissioner, Burma, to Messrs. Steel Brothers & Co., Ld., Rangoon.

I am directed to acknowledge the receipt of your letter dated the 1st April, 1920, on the subject of the new Super-tax Act, and to say that further communication will be made to you in due course of time.

Letter No 574/41-30, dated August 19th, 1920, from the Revenue Secretary to the Government of Burma, to Messrs. Steel Brothers & Co., Ld., Rangoon.

With reference to your letter dated the 1st April, 1920, to the address of the Financial Commissioner representing that the terms of the new Super-tax Act will operate with undue severity on companies with capital invested in subsidiary companies, I am directed to say that this question was referred to the Government of India in the Finance Department in May last and that the Government of India have now intimated that the settlement of the question awaits the arrival of certain papers from the Secretary of State regarding the practice in the working of the English Act. I am to explain that the delay in dealing with your reference is due to these papers not having been received as yet, and until they have been received, it will not be possible for the Government of India to give a final reply.

Letter dated January 3rd, 1921, from Messrs. Steel Brothers & Co., Ld., Rangoon, to the Revenue Secretary to the Government of Burma, Rangoon.

With reference to our letter to the Financial Commissioner, dated 1st April, 1920, on the subject of double taxation under the new Super-tax Act and your reply thereto No. 574/41-30, dated 19th August last, we now have the honour to enquire if a decision has yet been come to by the Government of India. Should no decision yet have been communicated to you, we have the honour to request that you will kindly again refer the question to the Government of India by wire—as pending a decision being come to, the settlement of our Home Income Tax Assessment is being held up. Thanking you in anticipation.

Letter No. 607/41-11, dated 20th January 1921, from the Revenue Secretary to the Government of Burma to Messrs. Steel Brothers & Co., Ld., Rangoon.

With reference to the correspondence ending with your letter dated the 3rd January, 1921, on the subject of double taxation under the Super-tax Act, 1920, I am directed to say that the Government of India in dealing with your representation have remarked that it was possibly prompted by certain provisions in the English Law. They observe, however, that in England companies are at present subject to the Excess Profits Duties Act, and the absence of any such Act here places companies in an altogether more favourable position in

India than at home. This is also a result of the exemption limit at Home for Super-tax purposes being only £500 while in India it is Rs. 50,000/-. The Government of India further observe that sub-section (3) of Section 53 of the English Finance Act, 1920, in effect abolishes the separate exemption of the first portion of the profits of a subsidiary company, the whole or a major portion of whose ordinary capital is subscribed for by a parent company.

2. Continuing, the Government of India note that apart from the above considerations there are various other distinctions between the English and Indian laws. In India money paid as interest to debenture holders or mortgagees is not subject to income-tax. The English law also limits the amount payable as remuneration to Directors, etc., concerned in the management of the company, and in other ways augments the balance of profits liable to the tax.

3. The Government of India further remark that there are also general considerations for not acceding to your representation. Limited liability companies enjoy the advantages of corporate capital and defined liability. Any subsidiary company in which a parent company invests part of its capital also enjoys these advantages separately, and the Government of India consider, therefore, that it is not unreasonable that the subsidiary company as a separate entity enjoying these privileges should be taxed as such.

4. In the circumstances explained, the Government of India have intimated that they are not prepared to take up an amendment of the act at this stage. They point out, however, that it is now open to persons interested in the subject to put forward a resolution on the subject in the Imperial Legislative Council where non-official members will in future have a majority.

No. 660-125.

Chamber of Commerce,
Bombay, 30th March 1921.

The Secretary,
The Associated Chambers of Commerce
of India and Ceylon, Royal Exchange,
Calcutta.

Dear Sir,—I am directed to acknowledge receipt of your letter, No. 550-A. C., dated the 8th March 1921, and

its accompaniments, on the subject of the Super Tax Act 1920.

In reply I am to state that my Committee are of opinion that the question of the operation of the terms of the new Act on companies with capital invested in subsidiary companies might form the subject of a representation from the Associated Chambers to the Government of India. The lines upon which such a representation might be drawn up are, my Committee consider, the provisions in the English Law on the subject and, more especially, the practice observed by the Revenue Authorities at home in giving effect to the said provisions.—Yours faithfully,

C. B. SAYER,
Secretary.

No. 769-A. C.

The Associated Chambers of Commerce
of India and Ceylon, Royal Exchange,
Calcutta, 23rd April 1921.

The Secretary, Chamber of Commerce,
Bombay.

The Super-tax Act 1920.

Dear Sir,—Adverting to my letter No. 549-561-A. C., dated 8th March 1921, I am directed to say that the views of all the Chambers on the point raised by Burma have now been received. They show, however, such a considerable difference of opinion on the question as to whether the Association should take action that the President does not propose to move in the matter.—Yours faithfully,

H. M. HAYWOOD,
Secretary.

APPENDIX G-5

PROPOSED AMENDMENT OF THE INCOME-TAX AND SUPER-TAX ACTS

No. 5584-A. C.

Government of India,
Legislative Department,
Simla, 29th September 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed to forward herewith 30 copies of the papers noted on the margin, and to request that you will favour the Government of India in this Department with an expression of the Chamber's opinion on the provisions of the Bill through the local Government.

1. A Bill to amend the law relating to Income-tax and Super-tax with Statement of Objects and Reasons.
2. A tabular statement showing the difference between the provisions of the present Acts and the provisions of the Bill.

2. The reply to this letter should be sent in before the 1st December, 1921.—I have etc.

H. MONCRIEFF SMITH,
Secretary to the Government of India.

PROPOSED AMENDMENT OF THE

The provisions of the present Income-tax Act and of in parallel columns. The provisions of the 1918 Act the changes adopted in the Bill are printed in italics.

PRESENT ACT.

Whereas it is expedient to consolidate and amend the law relating to Income-tax; It is hereby enacted as follows :—

Short title, extent and commencement.

1. (*1*) This Act may be called the Indian Income-tax Act, 1918.

(*2*) It extends to the whole of British India, including the Sonthal Parganas, and applies also, within the dominions of Princes and Chiefs in India in alliance with His Majesty, to British subjects in those dominions who are in the service of the Government of India or of a local authority established in the exercise of the powers of the Governor General in Council in that behalf, and to all other servants of His Majesty in those dominions; and

(*3*) It shall come into force on the first day of April, 1918.

Definitions.

2. In this Act, unless there is anything repugnant in the subject or context,—

(*1*) "Agricultural income" means—

(*a*) any rent or revenue derived from land which is used for agricultural purposes, and is either assessed to land-revenue or subject to a local rate assessed and collected by officers of Government as such;

(*b*) any income derived from—

(*i*) agriculture, or

(*ii*) the performance by a cultivator or receiver of rent-in-kind of any process ordinarily employed by a cultivator or receiver of rent-in-kind to render the produce raised or received by him fit to be taken to market, or

(*iii*) the sale by a cultivator or receiver of rent-in-kind of the produce raised or received by him, when he does not keep a shop or stall for the sale of such produce, or

INCOME-TAX AND SUPER-TAX ACTS

the Income-tax Bill are set out in this tabular statement which have been altered are enclosed in brackets and

BILL.

Whereas it is expedient to consolidate and amend the law relating to income-tax *and Super-tax*; It is hereby enacted as follows :—

Short title, extent and commencement.

1. (*1*) This Act may be called the Indian Income-tax Act, 192 ;

(*2*) It extends to the whole of British India, including the Sonthal Parganas, and applies also, within the dominions of Princes and Chiefs in India in alliance with His Majesty, to British subjects in those dominions who are in the service of the Government of India or of a local authority established in the exercise of the powers of the Governor General in Council in that behalf, and to all other servants of His Majesty in those dominions; and

(*3*) It shall come into force on the first day of April 192 .

Definitions.

2. In this Act, unless there is anything repugnant in the subject or context,—

(1) " Agricultural income " means—

(*a*) any rent or revenue derived from land which is used for agricultural purposes, and is either assessed to land-revenue or subject to a local rate assessed and collected by officers of Government as such ;

(*b*) any income derived from—

(*i*) agriculture, or

(*ii*) the performance by a cultivator or receiver of rent-in-kind of any process ordinarily employed by a cultivator or receiver of rent-in-kind to render the produce raised or received by him fit to be taken to market, or

(*iii*) the sale by a cultivator of receiver of rent-in-kind of the produce raised or received by him, when he does not keep a shop or stall for the sale of such produce, or

PRESENT ACT—*contd.*

(*iv*) any building owned and occupied by the receiver of the rent or revenue of any such land as is referred to in clause (*a*), or occupied by the cultivator, or the receiver of rent-in-kind, of any land with respect to which, or the produce of which, any operation mentioned in sub-clauses (*ii*) and (*iii*) is carried on :

Provided that the building is on or in the immediate vicinity of the land, and is a building which the receiver of the rent or revenue, or the cultivator or the receiver of the rent-in-kind, by reason of his connection with the land, requires as a dwelling-house, or as a storehouse, or other out-building ;

(2) "Assessee" means a person by whom income-tax is payable, and includes a firm and a Hindu undivided family ;

(3) "Business" includes any trade, commerce, or manufacture or any adventure or concern in the nature of trade, commerce or manufacture ;

(4) ["Chief Revenue-authority" means the Board of Revenue or the Financial Commissioner in Provinces where those authorities exist, and in any other case such authority as the Local Government may declare to be the Chief Revenue-authority for the purposes of this Act ;]

(5) ["Collector" includes any officer whom the Local Government may appoint to exercise or perform all or any of the powers or duties conferred by this Act on a Collector and means in relation to any assessee carrying on business, the Collector of the place where the principal place of business of such assessee is situate, and in relation to any other assessee the Collector of the place where such assessee resides ;]

(6) ["Commissioner" includes any officer whom the Local Government may appoint to exercise or perform all or any of the powers or duties conferred by this Act on a Commissioner ;]

BILL—*contd.*

(*iv*) any building owned and occupied by the receiver of the rent or revenue of any such land as is referred to in clause (*a*), or occupied by the cultivator, or the receiver of rent-in-kind, of any land with respect to which, or the produce of which, any operation mentioned in sub-clauses (*ii*) and (*iii*) is carried on:

Provided that the building is on or in the immediate vicinity of the land, and is a building which the receiver of the rent or revenue or the cultivator or the receiver of the rent-in-kind, by reason of his connection with the land, requires as a dwelling-house, or as a store-house, or other outbuilding; *but does not include income derived from forestry;*

(2) "Assessee" means a person by whom income-tax is payable, and includes a firm, *a partnership* and a Hindu undivided family;

(5) "Business" includes any trade, commerce, or manufacture or any adventure or concern in the nature of trade, commerce or manufacture;

(6) *"Commissioner" means a person appointed to be a Commissioner of Income-tax under section 5:*

(3) *"Assessor" means a person appointed to be an Assessor under section 5;*

[(See also clause 63 (1) and (2).]

(4) *"Assistant Commissioner" means a person appointed to be an Assistant Commissioner of Income-tax under section 5;*

Income-tax officers.

5. (1) *There shall be the following classes of income-tax officers for the purposes of this Act, namely:—*

(*a*) *Commissioners of Income-tax,*

(*b*) *Assistant Commissioners of Income-tax and*

(*c*) *Assessors.*

PRESENT ACT—*contd.*

(7) "Company" means a company as defined in the Indian Companies Act, 1913, or formed in pursuance of an Act of Parliament or of Royal Charter or Letters Patent, or of an Act of the legislature of a British possession, and includes any foreign association carrying on business in British India whether incorporated or not, and whether its principal place of business is situate in British India or not, which the Governor General in Council may, by general or special order, declare to be a company for the purposes of this Act;

(8) "Local authority" includes any person legally entitled to the control or management of any municipal or local fund;

(9) "Magistrate" means a Presidency Magistrate or a Magistrate of the first class, or a Magistrate of the second class specially empowered by the Local Government to try offences against this Act;

BILL—*contd.*

(2) *There shall be a Commissioner of Income-tax for each province who shall be appointed by the Governor General in Council after consideration of any recommendation made by the Local Government in this behalf.*

(3) *Assistant Commissioners of Income-tax and Assessors shall, subject to the control of the Governor General in Council be appointed by the Commissioner of Income-tax by order in writing which shall specify the areas within which such officers shall perform their functions.*

(4) *The Governor General in Council may, by notification in the Gazette of India, appoint Commissioners of Income-tax, Assistant Commissioners of Income-tax and Assessors to perform such functions in respect of such classes of persons or such classes of income, and for such area, as may be specified in the notification, and thereupon the functions so specified shall cease, within the specified area, to be performed, in respect of the specified classes of persons or classes of income, by the officers appointed under sub-sections (2) and (3).*

(5) *Assistant Commissioners of Income-tax and Assessors appointed under sub-section (3) shall, for the purposes of this Act, be subordinate to the Commissioner of Income-tax appointed under sub-section (2) for the province in which they perform their functions.*

(6) *All Income-tax officers shall be deemed to be public servants within the meaning of this Act and of the Indian Penal Code.*

2. (7) "Company" means a company as defined in the Indian Companies Act, 1913, or formed in pursuance of an Act of Parliament or of Royal Charter or Letters Patent, or of an Act of the Legislature of a British possession, and includes any foreign association carrying on business in British India whether incorporated or not, and whether its principal place of business is situate in British India, or not, which the Governor General in Council may by general or special order, declare to be a company for the purposes of this Act;

(8) "Local authority" includes any person legally entitled to the control or management of any municipal local fund;

(9) "Magistrate" means a Presidency Magistrate or a Magistrate of the first class, or a Magistrate of the second class specially empowered by the Local Government to try offences against this Act;

PRESENT ACT—*contd.*

(*10*) "Prescribed" means prescribed by rules made under this Act;

(*11*) "Previous year" means the twelve months ending on the 31st day of March next preceding the year for which the assessment is to be made or, if the accounts of the assessee have been made up within the said twelve months in respect of a year ending on any date other than the said 31st day of March, then at the option of the assessee the year ending on the day on which his accounts have so been made up:

Provided that, if this option has once been exercised by the assessee it shall not again be exercised so as to vary the meaning of the expression "previous year" as then applicable to such assessee, except with the consent of the [Collector] and upon such conditions as he may think fit;

(*12*) "Principal officer" used with reference to a local authority or a company or any other public body or association not being a local authority or company, means—

(*a*) the secretary, treasurer, manager or agent of the authority, company, body or association, or

(*b*) any person connected with the authority, company, body or association upon whom the [Collector] has served a notice of his intention of treating him as the principal officer thereof; and

(12A) ["Registered firm" means a firm constituted under an instrument of partnership specifying the individual shares of the partners of which the prescribed particulars have been registered with the Collector in the prescribed manner].

BILL—*contd.*

(*10*) "Prescribed" means prescribed by rules made under this Act;

(*11*) "Previous year" means—

(*a*) the twelve months ending on the 31st day of March next preceding the year for which the assessment is to be made, or, if the accounts of the assessee have been made up within the said twelve months in respect of a year ending on any date other than the said 31st day of March, then at the option of the assessee the year ending on the day on which his accounts have so been made up:

Provided that, if this option has once been exercised by the assessee, it shall not again be exercised so as to vary the meaning of the expression "previous year" as then applicable to such assessee except with the consent of the *Assessor* and upon such conditions as he may think fit; *or*

(*b*) *in the case of any person, business or company or class of person, business or company such period as may be determined by the Governor General in Council or by such authority as the Governor General in Council may authorise in this behalf,*

(*12*) "Principal officer" used with reference to a local authority or a company or any other public body or association not being a local authority or company means—

(*a*) the secretary, treasurer, manager or agent of the authority, company, body or association, or

(*b*) any person connected with the authority, company, body or association upon whom the *Assessor* has served a notice of his intention of treating him as the principal officer thereof; and

Omitted.

PRESENT ACT—*contd.*

(*13*) "Total income" means total income from all sources to which this Act applies.

CHAPTER I.

3. (*1*) Save as hereinafter provided, this Act shall apply to all income from whatever source [it is] derived, [if it accrues] or [arises] or [is] received in British India, or is, under the provisions of this Act, deemed to accrue or arise or to be received in British India.

Nil.

(*2*) This Act shall not apply to the following classes of income :—

(*i*) Any income derived from property held under trust or other legal obligation wholly for religious or charitable purposes, and in the case of property so held in part only for such purposes, the income applied, or finally set apart for application, thereto.

(*ii*) Any income of a religious or charitable institution derived from voluntary contributions and applicable solely to religious or charitable purposes.

(*iii*) The income of local authorities.

(*iv*) Interest on securities which are held by, or are the property of, any Provident Fund to which the Provident Funds Act, 1897, applies, or any Provident Insurance Society to which the Provident Insurance Societies Act, 1912, is or, but for an exemption under that Act, would be, applicable.

(*v*) Any capital sum received in commutation of the whole or a portion of a pension, or in the nature of consolidated compensation for death

BILL—*contd.*

(*13*) "Total income" means total income from all sources to which this Act applies *computed in the manner laid down in section 16.*

4. (*1*) Save as hereinafter provided, this Act shall apply to all income, *profits or gains as described or comprised in section 6* from whatever source derived, accru*ing*, or aris*ing*, or received in British India, or deemed under the provisions of this Act to accrue, or arise, or to be received in British India.

Application of Act.

(2) *Income, profits or gains accruing or arising without British India and received in British India shall be deemed to be received in British India in the year in which they are so received, notwithstanding the fact that they did not so accrue or arise in that year.*

(3) This Act shall not apply to the following classes of income :—

(*i*) Any income derived from property held under trust or other legal obligation wholly for religious or charitable purposes, and in the case of property so held in part only for such purposes, the income applied, or finally set apart for application, thereto.

(*ii*) Any income of a religious or charitable institution derived from voluntary contributions and applicable solely to religious or charitable purposes.

(*iii*) The income of local authorities.

(*iv*) Interest on securities which are held by, or are the property of, any Provident Fund to which the Provident Funds Act, 1897, applies, or any Provident Insurance Society to which the Provident Insurance Societies Act, 1912, is, or, but for an exemption under that Act, would be, applicable.

(*v*) Any capital sum received in commutation of the whole or a portion of a pension, or in the nature of consolidated compensation for death

PRESENT ACT—*contd.*

or injuries, or in payment of any insurance policy, or as the accumulated balance at the credit of a subscriber to any such Provident Fund.

(*vi*) Any special allowance, benefit or perquisite specifically granted to meet expenses wholly and necessarily incurred in the performance of the duties of an office or employment of profit.

(*vii*) [Legacies.]

(*viii*) Any receipts not being receipts arising from business or the exercise of a profession, vocation, or occupation, which are of a casual and non-recurring nature, or are not by way of addition to the remuneration of an employé.

(*ix*) [Any perquisite or benefit which is neither money or reasonably capable of being converted into money.]

(*x*) Agricultural income.

In this sub-section "charitable purpose" includes relief of the poor, education, medical relief, and the advancement of any other object of general public utility.

5. Save as otherwise provided by this Act, the following [classes] of [income] shall be chargeable to income-tax in the manner hereinafter appearing, namely—

(*i*) Salaries.

(*ii*) Interest on securities.

(*iii*) [Income derived from house] property.

(*iv*) [Income derived from] business.

(*v*) Professional earnings.

(*vi*) [Income derived from] other sources.

6. (*1*) The tax shall be payable by an assessee under the head "Salaries" in respect of any salary or wages, any annuity, pension or gratuity, and any fees, commissions, perquisites or profits received by him in lieu of, or in addition to, any salary or wages, which are paid by

BILL—*contd.*

or injuries, or in payment of any insurance policy, or as the accumulated balance at the credit of a subscriber to any such Provident Fund.

(*vi*) Any special allowance, benefit or perquisite specifically granted to meet expenses wholly and necessarily incurred in the performance of the duties of an office or employment of profit.

Omitted.

(*vii*) Any receipts not being receipts arising from business or the exercise of a profession, vocation or occupation, which are of a casual and non-recurring nature, or are not by way of addition to the remuneration of an employé.

Omitted.

(*viii*) Agricultural income.

In this sub-section "charitable purpose" includes relief of the poor, education, medical relief, and the advancement of any other object of general public utility.

Classes of Income chargeable to income-tax.

6. Save as otherwise provided by this Act, the following *heads* of income, *profits and gains* shall be chargeable to income-tax in the manner hereinafter appearing namely :—

(*i*) Salaries.

(*ii*) Interest on securities.

(*iii*) Property.

(*iv*) Business.

(*v*) Professional earnings.

(*vi*) Other sources.

Salaries.

7. (*1*) The tax shall be payable by an assessee under the head "Salaries" in respect of any salary or wages, any annuity, pension or gratuity, and any fees, commissions, perquisites or profits received by him

PRESENT ACT—*contd.*

or on behalf of Government, a local authority, a company, or any other public body or association not being a local authority or company, or by or on behalf of any private employer [where such employer has entered into an agreement with the Collector in accordance with the prescribed conditions to recover the tax on behalf of Government], provided that the tax shall not be payable in respect of—

> any sum deducted under the authority of Government from the salary of any individual for the purpose of securing to him a deferred annuity or of making provision for his wife or children, provided that the sum so deducted shall not exceed one-sixth of the salary.

(2) Any income which would be chargeable under this head if paid in British India shall be deemed to be so chargeable if paid to a British subject or any servant of His Majesty in any part of India by Government or by a local authority established by the Governor General in Council.

7. The tax shall be payable by an assessee under the head "Interest on securities" in respect of the interest receivable by him on any security of the Government of India, or on debentures or other securities for money issued by or on behalf of a local authority or a company:

Provided that no tax shall be payable on the interest receivable on any security of the Government of India issued or declared to be income-tax free.

8. The tax shall be payable by an assessee under the head "[Income derived from house] property" in respect of the *bona fide* annual value of any [residential house property] of which he is the owner subject to the following allowances, namely :—

(*i*) where the property is in the occupation of the owner, or where it is let to a tenant and the owner has undertaken to bear the cost of repairs, a sum equal to one-sixth of such value;

in lieu of, or in addition to, any salary or wages, which are paid by or on behalf of Government, a local authority, a company, or any other public body or association not being a local authority or company, or by or on behalf of any private employer:

Provided that the tax shall not be payable in respect of any sum deducted under the authority of Government from the salary of any individual for the purpose of securing to him a deferred annuity or of making provision for his wife or children, provided that the sum so deducted shall not exceed one-sixth of the salary.

(2) Any income which would be chargeable under this head if paid in British India shall be deemed to be so chargeable if paid to a British subject or any servant of His Majesty in any part of India by Government or by a local authority established by the Governor General in Council.

Interest on securities.

8. The tax shall be payable by an assessee under the head "Interest on securities" in respect of the interest receivable by him on any security of the Government of India *or of a Local Government,* or on debentures or other securities for money issued by or on behalf of a local authority or a company:

Provided that no tax shall be payable on the interest receivable on any security of the Government of India issued or declared to be income-tax free.

Property.

9. The tax shall be payable by an assessee under the head "Property" in respect of the *bona fide* annual value of any *buildings or lands* of which he is the owner, *other than such portions of such buildings and land as he may occupy for the purpose of his business,* subject to the following allowances, namely:—

(*i*) where the property is in the occupation of the owner, or where it is let to a tenant and the owner has undertaken to bear the cost of repairs, a sum equal to one-sixth of such value;

PRESENT ACT—*contd.*

(*ii*) where the property is in the occupation of a tenant who has undertaken to bear the cost of repairs, the difference between such value and the rent paid by the tenant up to but not exceeding one-sixth of such value;

(*iii*) the amount of any annual premium paid to insure the property against risk of damage or destruction;

(*iv*) where the property is subject to a mortgage or charge or to a ground rent, the amount of any interest on such mortgage or charge or of any such ground rent;

(*v*) any sums paid on account of land-revenue in respect of the property;

(*vi*) in respect of collection charges, a sum not exceeding the prescribed maximum;

(*vii*) in respect of vacancies, such sum as the [Collector] may determine having regard to the circumstances of the case.

For the purposes of this section the expression "annual value" shall be deemed to mean the sum for which the property might reasonably be expected to let from year to year:

Provided that, where the property is in the occupation of the owner, such sum shall, for the purposes of this section, be deemed not to exceed ten per cent. of the aggregate income of the owner.

9. (*1*) The tax shall be payable by an assessee under the head "[Income derived from] business" in respect of the profits of any business carried on by him.

(*2*) Such profits shall be computed after making the following allowances, [in respect of sums paid, or, in the case of depreciation, debited], namely:—

(*i*) any rent paid for the premises in which such business is carried on, provided that when any substantial part of the premises is used as a

BILL—*contd.*

(*ii*) where the property is in the occupation of a tenant who has undertaken to bear the cost of repairs, the difference between such value and the rent paid by the tenant up to but not exceeding one-sixth of such value;

(*iii*) the amount of any annual premium paid to insure the property against risk of damage or destruction;

(*iv*) where the property is subject to a mortgage or charge or to a ground rent, the amount of any interest on such mortgage or charge or of any such ground rent;

(*v*) any sums paid on account of land-revenue in respect of the property;

(*vi*) in respect of collection charges, a sum not exceeding the prescribed maximum;

(*vii*) in respect of vacancies, such sum as the *Assessor* may determine having regard to the circumstances of the case.

For the purposes of this section, the expression "annual value" shall be deemed to mean the sum for which the property might reasonably be expected to let from year to year:

Provided that, where the property is in the occupation of the owner *for the purpose of his own residence,* such sum shall, for the purposes of this section, be deemed not to exceed ten per cent. of the aggregate income of the owner.

Business.

10. (*1*) The tax shall be payable by an assessee under the head "Business" in respect of the profits *or gains* of any business carried on by him.

(*2*) Such profits *or gains* shall be computed after making the following allowances, namely:—

(*i*) any rent paid for the premises in which such business is carried on, provided that, when any substantial part of the premises is used as a

PRESENT ACT—*contd.*

dwelling house by the assessee, the allowance under this clause shall be such sum as the [Collector] may determine having regard to the proportional part so used;

(*ii*) in respect of repairs, where the assessee is the tenant only of the premises, and has undertaken to bear the cost of such repairs, the amount [actually expended thereon], provided that if any substantial part of the premises is used by the assessee as a dwelling-house, a proportional part only of such amount shall be allowed;

(*iii*) in respect of capital borrowed for the purposes of the business, where the payment of interest thereon is not in any way dependent on the earning of profits, the amount of the interest paid;

(*iv*) in respect of insurance against risk of damage or destruction of buildings, machinery or plant, used for the purpose of the business, the amount of any premium paid;

(*v*) in respect of current repairs to such buildings, machinery or plant, the amount [actually expended thereon].

(*vi*) in respect of depreciation of such buildings, machinery or plant being the property of the assessee, a sum [not exceeding a] percentage on the original cost thereof to the assessee [to be fixed, subject to the approval of the Governor General in Council, by the Local Government for different classes of buildings, machinery or plant having regard to the estimated life thereof, in determining which it shall be assumed that current repairs are executed from time to time :]

Provided that—

(*a*) [no such allowance shall be made unless the amount claimed has actually been debited in the ordinary accounts of the business for the previous year, and] the prescribed particulars have been duly furnished;

BILL—*contd.*

dwelling-house by the assessee, the allowance under this clause shall be such sum as the *Assessor* may determine having regard to the proportional part so used;

(*ii*) in respect of repairs, where the assessee is the tenant only of the premises, and has undertaken to bear the cost of such repairs, the amount *paid on account thereof*, provided that, if any substantial part of the premises is used by the assessee as a dwelling-house, a proportional part only of such amount shall be allowed ;

(*iii*) in respect of capital borrowed for the purposes of the business, where the payment of interest thereon is not in any way dependent on the earning of profits, the amount of the interest paid;

(*iv*) in respect of insurance against risk of damage or destruction of buildings, machinery, plant, *furniture, stocks or stores,* used for the purposes of the business, the amount of any premium paid;

(*v*) in respect of current repairs to such buildings, machinery, or plant, the amount *paid on account thereof ;*

(*vi*) in respect of depreciation of such buildings, machinery or plant being the property of the assessee a sum *equivalent to such* percentage on the original cost thereof to the assessee *as may in any case or class of cases be prescribed* :

Provided that—

(*a*) the prescribed particulars have been duly furnished :

PRESENT ACT—*contd.*

(*b*) [when in any year the full allowance admissible has not been claimed, the balance may be added to the allowance made for the following year or years];

(*c*) the aggregate of the allowances made under this sub-head either under this Act or any Act repealed thereby shall, in no case, exceed the original cost to the assessee of the buildings, machinery or plant, as the case may be;

(*vii*) in respect of any machinery or plant which has been sold or discarded as obsolete, the difference between the original cost to the assessee of the machinery or plant as reduced by the aggregate of the allowances made in respect of depreciation under clause (*vi*), and the amount for which the machinery or plant is actually sold, or its scrap value:

(*viii*) any sums paid on account of land-revenue, local rates or municipal taxes in respect of such part of the premises as is used for the purposes of the business.

(*ix*) [in respect of] any expenditure (not being in the nature of capital expenditure) incurred solely for the purpose of earning such profits.

Nil.

10. (*1*) The tax shall be payable by an assessee under the head "Professional earnings" in respect of the profits of any profession, or vocation, followed by him.

BILL—*contd.*

(*b*) *where full effect cannot be given to any such allowance in any year owing to there being no profits or gains chargeable for that year, or owing to the profits or gains chargeable being less than the allowance, the allowance or part of the allowance to which effect has not been given, as the case may be, shall be* added to the *amount of the* allowance *for depreciation* for the following year *and deemed to be part of that allowance, or, if there is no such allowance for that year, be deemed to be the allowance for that year, and so on* for *succeeding* years; and

(*c*) the aggregate of the allowances made under this sub-head either under this Act or any Act repealed thereby shall, in no case, exceed the original cost to the assessee of the buildings, machinery, or plant, as the case may be;

(*vii*) in respect of any machinery or plant which has been sold or discarded as obsolete, the difference between the original cost to the assessee of the machinery or plant as reduced by the aggregate of the allowances made in respect of depreciation under clause (*vi*) and the amount for which the machinery or plant is actually sold, or its scrap value;

(*viii*) any sums paid on account of land-revenue, local rates or municipal taxes in respect of such part of the premises as is used for the purposes of the business:

(*ix*) any expenditure (not being in the nature of capital expenditure) incurred solely for the purpose of earning such profits *or gains.*

(*3*) *In sub-section* (*2*) *the word "paid" means actually paid or incurred according to the method of accounting upon the basis of which the profits or gains are computed under this section.*

Professional earnings.

11. (*1*) The tax shall be payable by an assessee under the head "Professional earnings" in respect of the profits *or gains* of any profession, or vocation, followed by him.

PRESENT ACT—*contd.*

(2) Such profits shall be computed after making allowance for any expenditure (not being in the nature of capital expenditure) incurred solely for the purposes of such profession or vocation, provided that no allowance shall be made on account of any personal expenses of the assessee.

(3) Professional fees paid in any part of India to a person ordinarily resident in British India shall be deemed to be [income] chargeable under this head.

11 (*1*) The tax shall be payable by an assessee under the head "[Income derived from] other sources" in respect of income and profits of every kind and from every source to which this Act applies (if not included under any of the preceding heads).

(*2*) Such income and profits shall be computed after making allowance for any expenditure (not being in the nature of capital expenditure) incurred solely for the purpose of [making such income or earning such profits], provided that no allowance shall be made on account of any personal expenses of the assessee.

Nil.

12. (*1*) [In computing the amount of the income chargeable to income-tax in the case of] an assessee [under any of the foregoing heads, no account shall be taken of] any [income] which [the assessee enjoys] as a member of a company or of a firm or of an undivided Hindu family [where the company, the firm or the family is liable to the tax.]

(*2*) Such profits *or gains* shall be computed after making allowance for any expenditure (not being in the nature of capital expenditure) incurred solely for the purposes of such profession or vocation, provided that no allowance shall be made on account of any personal expenses of the assessee.

(*3*) Professional fees paid in any part of India to a person ordinarily resident in *British India* shall be deemed to be *profits or gains* chargeable under this head.

Other sources.

12. (*1*) The tax shall be payable by an assessee under the head "Other sources" in respect of income, profits *and gains* of every kind and from every source to which this Act applies (if not included under any of the preceding heads).

(2) Such income, profits *and gains* shall be computed after making allowance for any expenditure (not being in the nature of capital expenditure) incurred solely for the purpose of making or earning such income, profits *or gains*, provided that no allowance shall be made on account of any personal expenses of the assessee.

Method of accounting.

13. *Income, profits and gains shall be computed for the purposes of sections 10, 11 and 12, in accordance with the method of accounting regularly employed by the assessee:*

Provided that, if no method of accounting has been regularly employed, or if the method employed is such that, in the opinion of the Assessor, the income, profits and gains cannot properly be deduced therefrom, then the computation shall be made upon such basis and in such manner as the Assessor may determine.

Exemption of a general nature.

14. *The tax shall not be payable by* an assessee in respect of—

(*a*) any *sum* which *he receives* as a member of a Hindu undivided family ; or

(*b*) any *sum* which *he receives by way of dividend* as a member of a company ; or

(*c*) any *sum* which *he is entitled to receive as his share of the profits or gains of any partnership or* firm.

PRESENT ACT—*contd.*

(2) [There shall also be excluded from the computation] any [sum] paid by [the assessee] to effect an insurance on his own life, or on the life of his wife, or in respect of a contract for a deferred annuity on his own life or on the life of his wife or as a contribution to any provident fund to which the Provident Funds Act, 1897, applies, or to any provident fund which complies with the provisions of the Provident Insurance Societies Act, 1912, or has been exempted from the provisions of that Act:

IX of 1897.

V of 1912.

Provided that the aggregate of any sums so [excluded] shall not, [after taking into account] any [exemptions allowed in respect of like provision] under the [head "Salaries"], exceed one-sixth of the income of the assessee [which would, apart from such exclusion and exemption, be chargeable to income-tax.]

13. In computing the total income of an assesee for the purposes [of Schedule I, deductions] exempted under the proviso to [section 6 (1), income mentioned in section 12 (1), and sums excluded under section 12 (2)] shall be taken into account.

Nil.

14. (1) [The aggregate amount of an assessee's income chargeable under each of the heads, mentioned in section 6 to 11 shall be the taxable income of the assessee.]

(2) [Subject to the conditions hereinbefore set out, there shall be levied in respect of the year beginning with the first day of April 1918, and in respect of each subsequent year, by collection in that year and subsequent adjustment as hereinafter provided income-tax upon every assessee in respect of his taxable income in that year at the rate specified in Schedule I:]

[Provided that, where the assessee is a company or a registered firm and the taxable income of such company or firm is two thousand rupees or upwards] income-tax shall be [levied] at the maximum rate [specified in Schedule I.]

BILL—*contd.*

Exemption in the case of life insurances.

15. *The tax shall not be payable by an assessee in respect of* any sums paid by *him* to effect an insurance on his own life or on the life of his wife, or in respect of a contract for a deferred annuity on his own life or on the life of his wife, or as a contribution to any Provident Fund to which the Provident Funds Act, 1897, applies, or to any Provident Fund which complies with the provisions of the Provident Insurance Societies Act, 1912, or has been exempted from the provisions of that Act :

Provided that the aggregate of any sum so *exempted* shall not, *together with* any *sums exempted* under the *proviso to sub-section* (*1*) *of section* 7, exceed one-sixth of the *total* income of the assessee.

Exemptions and exclusions in determining the total income.

16. (*1*) In computing the total income of an assessee for the purpose *of determining the rate at which the tax is to be charged, sums* exempted under the proviso to *sub-section* (*1*) *of section* 7, *the proviso to section* 8, *clauses* (*b*) *and* (*c*) *of section* 14 *and section* 15, shall be taken into account.

(*2*) *For the purposes of sub-section* (*1*), *the sums mentioned in clauses* (*b*) *and* (*c*) *of section* 14 *shall be increased by the amount of income-tax payable by the company or firm in respect of the dividend received, or the share of the profits, as the case may be.*

(*Omitted : see clause* 25 *of Bill*).

Charge of Income-tax.

(*3*) *Where any Act of the Indian Legislature enacts that income-tax shall be charged for any year at any rate or rates applicable to the total income of an assessee, tax at that rate or those rates shall be charged for that year in accordance with, and subject to the provisions of, this Act in respect of all income, profits and gains of the previous year.*

Firms and companies to be charged at the maximum rate.

17. *Notwithstanding any enactment fixing a minimum amount of income, profits or gains on which, or varying rates at which, income-tax shall be chargeable,* income-tax shall be *chargeable on the income, profits or gains*

PRESENT ACT—*contd.*

14A. (*1*) Where owing to the fact that the total income of any person has reached or exceeded a certain limit, he is liable to pay income-tax at a higher rate, the amount of income-tax payable by him shall, where necessary, be reduced so as not to exceed the aggregate of the following amounts, namely :—

(*a*) the amount which would have been payable if his total income had been a sum less by one rupee than that limit, and

(*b*) the amount by which his total income exceeds that sum.

(*2*) [The income-tax payable by any person shall in no case exceed the amount by which his taxable income is greater than two thousand rupees.]

CHAPTER II.

DEDUCTIONS AND ASSESSMENT.

15. (*1*) Income-tax shall, unless otherwise prescribed in the case of any security of the Government of India, be [deducted] at the time of payment in respect of income chargeable under the following heads :—

(*i*) "Salaries"; and

(*ii*) "Interest on securities."

(*2*) An [employer or other] person [responsible for] paying any income chargeable under the head "Salaries" shall, at the time of payment, deduct income-tax on the amount payable at the rate [specified in Schedule I in respect of] such amount, [provided that,] if the payment is a recurring one and in respect of any period less than a year, the rate [shall be determined with reference to] the amount which would be proportionately payable in a year.

[The deduction so made shall be treated as a payment of income-tax on behalf of the person from whose earnings the deduction was made, and credit shall be given to him therefor in the next adjustment under section 19.]

BILL—*contd.*

of every company, firm and partnership at the maximum rate.

Reduction of tax when margin above a certain limit is small.

18. Where owing to the fact that the total income of any person has reached or exceeded a certain limit he is liable to pay income-tax *or to pay income-tax* payable by him shall, where necessary, be reduced so as not to exceed the aggregate of the following amounts, namely :—

(*a*) the amount which would have been payable if his total income had been a sum less by one rupee than that limit, and

(*b*) the amount by which his total income exceeds that sum.

Omitted.

Payment by deduction at source.

19. (*1*) Income-tax shall, unless otherwise prescribed in the case of any security of the Government of India, be *leviable in advance by deduction* at the time of payment in respect of income chargeable under the following heads :

(*i*) "Salaries"; and

(*ii*) "Interest on securities."

(*2*) Any person paying any income chargeable under the head "Salaries" shall, at the time of payment, deduct income-tax on the amount payable at the rate *applicable to* such amount, *or*, if the payment is a recurring one and in respect of any period less than a year, *at* the rate *applicable to* the amount, which would be proportionately payable in a year, *as if such amount, in either case, were the total income of the assessee* :

[*See sub-clause* (*5*) *below*].

PRESENT ACT—*contd.*

Nil.

(*3*) The person responsible for paying any income chargeable under the head "Interest on securities" shall, at the time of payment, deduct income-tax on the amount of the interest payable at the maximum rate [specified in Schedule I.]

[The] deduction [so] made shall be treated as payment of income-tax on behalf of the owner of the security, and credit shall be given to him therefor in the next [adjustment under section 19.]

Provided that, if [the] owner [of the security] obtains a refund of any portion of the tax so deducted in accordance with the provisions of this Act, no credit shall be given for the amount of such refund.

Nil.

(*4*) All sums deducted in accordance with the provisions of [sub-section (*2*) or (*3*)] shall be paid within the prescribed time by the person making the deduction to the credit of the Government of India, or as the Governor-General in Council directs.

(*5*) If any such person does not deduct and pay the tax as required by this section, he shall, without prejudice to any other consequences which he may incur, be deemed to be personally in default in respect of the tax.

(*6*) The power to deduct under this section shall be without prejudice to any other mode of recovery.

Nil.

BILL—*contd.*

Provided that such person may make up any deficiency in any previous deduction by addition to any deduction made under this sub-section.

(3) The person responsible for paying any income chargeable under the head "interest on securities" shall, at the time of payment, deduct income-tax on the amount of the interest payable at the maximum rate.

(5) *Any* deduction made *in accordance with the provisions of this section* shall be treated as a payment of income-tax on behalf of the person from whose earnings the deduction was made, *or* of the owner of the security, *as the case may be,* and credit shall be given to him therefor in the *assessment, if any, made for the following year under this Act*:

Provided that, if *such person or such* owner obtains, in accordance with the provisions of this Act, a refund of any portion of the tax so deducted, no credit shall be given for the amount of such refund.

(4) *All sums deducted in accordance with the provisions of this section shall, for the purpose of computing the income of an assessee, be deemed to be income received.*

(6) All sums deducted in accordance with the provisions of *this section* shall be paid within the prescribed time by the person making the deduction to the credit of the Government of India, or as the Governor General in Council directs.

(7) If any such person does not deduct and pay the tax as required by this section, he shall, without prejudice to any other consequences which he may incur, be deemed to be personally in default in respect of the tax.

(8) The power to deduct under this section shall be without prejudice to any other mode of recovery.

(9) *Every person deducting in accordance with the provisions of sub-section (3) shall, at the time of payment of interest, furnish to the person to whom the interest is payable a certificate to the effect that income-tax has been deducted, and specifying the amount so deducted, the rate at which the tax has been deducted, and such other particulars as may be prescribed.*

PRESENT ACT—*contd.*

(7) In the case of income chargeable under any other head than those [above] mentioned, the tax shall be payable by the assessee direct and shall be the amount assessed under this Act subject to such adjustment as aforesaid.]

Nil.

16. The prescribed person in the case of every Government office, and the principal officer of every local authority, and of every company, and of every other public body or association not being a local authority or company, and every private employer [who has agreed to recover income-tax on behalf of Government] shall prepare, and within fifteen days from the 31st day of March in each year, deliver or cause to be delivered to the [Collector], in the prescribed form, a return in writing showing :—

(*a*) the name and, so far as it is known, the address, of every person who was receiving on the said 31st day of March, or has received during the year ending on that date, from the authority, company, body, association or private employer, as the case may be, any income chargeable under the head "Salaries" of such amount as may be prescribed [not being less than six hundred rupees per annum];

(*b*) the amount of the income so received by each such person, and the time or times at which the same was paid;

(*c*) the amount deducted in respect of income-tax from each person.

17. (*1*) The principal officer of every company shall prepare, and, on or before the fifteenth day of June in each year, deliver or cause to be delivered to the [Collector] a return in the prescribed form and

BILL—*contd.*

Payment in other cases.

20. In the case of income chargeable under any other head than those mentioned *in sub-section* (1) *of section* 19, the tax shall be payable by the assessee direct.

Certificate by company to shareholders receiving dividends.

21. *The principal officer of every company shall, at the time of distribution of dividends, furnish to every person receiving a dividend a certificate to the effect that the company has paid or will pay income-tax on the profits which are being distributed, and specifying the amount of tax paid or to be paid, the rate at which it has been or is to be paid, and such other particulars as may be prescribed.*

Annual return.

22. The prescribed person in the case of every Government office, and the principal officer of every local authority, and of every company, and of every other public body or association not being a local authority or company, and every private employer shall prepare, and, within fifteen days from the 31st day of March in each year, deliver or cause to be delivered to the *Assessor*, in the prescribed form, a return in writing showing—

(*a*) the name and, so far as it is known, the address, of every person who was receiving on the said 31st day of March, or has received during the year ending on that date, from the authority, company, body, association or private employer, as the case may be, any income chargeable under the head "Salaries" of such amount as may be prescribed;

(*b*) the amount of the income so received by each such person, and the time or times at which the same was paid;

(*c*) the amount deducted in respect of income-tax from each such person.

Return by assessees.

23 (*1*) The principal officer of every company shall prepare, and, on or before the fifteenth day of June in each year, deliver or cause to be delivered to the *Assessor* a return

PRESENT ACT—*contd.*

verified in the prescribed manner of the total income of the company during the previous year:

Provided that the [Collector] may, in his discretion, extend the date for the delivery of the return in the case of any company or class of companies.

(2) In the case of any person other than a company whose [taxable] income is, in the [Collector]'s opinion, [not less than two thousand rupees,] the [Collector] shall serve a notice upon him requiring him to furnish, within such period as may be specified in the notice, a return in the prescribed form and verified in the prescribed manner setting forth (along with such other particulars as may be provided for in the notice) his total income during the previous year.

18. (1) If the [Collector] is satisfied that a return made under section [17] is correct and complete, he shall assess the sum payable by the assessee for the year in which the return is made on the basis of such return.

(2) If the [Collector] has reason to believe that a return made under section [17] is incorrect or incomplete, he shall serve on the person who made the return a notice requiring him, on a date to be therein [mentioned] either to attend at the [Collector]'s office [and] produce, or to cause to be there produced [for the inspection of the Collector,] such accounts and documents as [the Collector may require and] any evidence on which the assessee may rely in support of the return.

(3) On the day specified in the notice, or as soon afterwards as may be, the [Collector], after [examining such accounts and documents, and hearing [any] evidence [which] the assessee may produce and such other evidence as the [Collector] may require, shall, by an order in writing, [determine] the total income of the assessee for the previous year, and [assess] the sum payable by the assessee for the year in which the return is made on the basis of such [determination].

BILL—*contd.*

in the prescribed form and verified in the prescribed manner of the total income of the company during the previous year :

Provided that the *Assessor* may, in his discretion, extend the date for the delivery of the return in the case of any company or class of companies.

(*2*) In the case of any person other than a company whose *total* income is, in the *Assessor's* opinion, *of such an amount as to render such person liable to income-tax*, the *Assessor* shall serve a notice upon him requiring him to furnish, within such period as may be specified in the notice, a return in the prescribed form and verified in the prescribed manner setting forth (along with such other particulars as may be provided for in the notice) his total income during the previous year.

Assessment.

24. (*1*) If the *Assessor* is satisfied that return made under section 23 is correct and complete, he shall assess the *total income of the assessee for the previous year* on the basis of such return, *and shall determine the* sum payable by *him* for the year in which the return is made.

(*2*) If the *Assessor* has reason to believe that a return made under section 23 is incorrect or incomplete, he shall serve on the person who made the return a notice requiring him, on a date to be therein *specified*, either to attend at the *Assessor's* office *or to* produce, or to cause to be there produced, any evidence on which the assessee may rely in support of the return.

23. (*3*) The *Assessor may* serve on *any assessee* a notice requiring him, on a date to be therein *specified*, to produce or cause to be produced such accounts or documents as *he* may require.

24 (*3*) On the day specified in the notice *issued under sub-section* (*2*), or as soon afterwards as may be, the *Assessor*, after hearing *such* evidence *as* the assessee may produce and such other evidence as the *Assessor* may require, shall, by an order in writing, *assess* the total income of the assessee for the previous year, and *determine* the sum payable by the assessee for the year in which the return is made on the basis of such *assessment.*

PRESENT ACT—*contd.*

(*4*) If the principal officer of any company or any other person fails to make a return under section [17 (*1*) or (*2*)] as the case may be, or having made a return fails to attend or fails to comply [substantially] with all the terms of a notice issued under section [18], sub-section (*2*), the [Collector] shall make the assessment to the best of his judgment.

[(5) The sum to be assessed in every case shall be a sum calculated on the aggregate of the assessee's income in the previous year chargeable under each of the heads mentioned in sections 8 to 11 at the rate applicable to his total income in that year.]

19. When the Collector has, in any year after the commencement of this Act for which income-tax is leviable under section 14 (*2*), ascertained, either from the return made by an assessee or after further inquiry, the total income actually received by or accrued to the assessee in the previous year, he shall compute the income-tax which would have been payable in respect thereof if it had been levied in such previous year with reference to the amount of the income so ascertained and the law then in force; and the difference between the sum so computed and the aggregate of the sums already paid by or on behalf of the assessee in respect of income-tax for such previous year, shall be paid by or refunded to the assessee, as the case may be:

Provided that no adjustment shall be made under the section in respect of any income-tax assessed or paid before the passing of this Act:

Provided also that it shall be competent to—

(*a*) an assessee; or

(*b*) in the case of the death or insolvency of an assessee, his representative in interest; or

(*c*) with reference to any year for which income-tax is leviable under section 14 (*2*) the Collector;

in any year to claim an immediate adjustment to date of the sums already paid by or on behalf of an assessee in that year, upon the basis of the total income actually received by or accrued to him in that year: and upon such claim being made, all the pro-

BILL—*contd.*

(*4*) If the principal officer of any company or any other person fails to make a return under *sub*-section (*1*) *or sub-section* (*2*) *of* section *23*, as the case may be, *or fails to comply with all the terms of a notice issued under sub-section* (*3*) *of the same section* or, having made a return, fails to comply with all the terms of a notice issued under sub-section (*2*) *of this section*, the *Assessor* shall make the assessment to the best of his judgment.

Set-off of loss in computing aggregate income,

25. *Where any assessee sustains a loss in any year under any of the heads mentioned in section 6, shall be entitled to have the amount of the loss set-off against his income, profits or gains under any other head.*

Omitted.

PRESENT ACT—*contd.*

visions of this Chapter shall apply, so far as may be necessary, for the determination of the proper sum to be paid by or refunded to the assessee or his representative in interest in respect of income-tax down to the date of such determination, and the same shall be paid or refunded accordingly.

Nil.

Nil.

20. When the [Collector] has determined a sum to be payable by an assessee under [either] Section [18 or section 19] he shall serve on the assessee a notice of demand in the prescribed form specifying the sum so payable.

21. (1) Any assessee objecting to the amount or rate at which he is assessed under section [18] or [to an adjustment made under section 19,] or denying his liability to be assessed under this Act may, unless he or, in the case of a company, the principal officer thereof, has knowingly and wilfully failed to make a return under section 17, or substantially to comply with all the

BILL—*contd.*

Assessment in case of discontinued business.

26. (1) *Where any business, profession or vocation is discontinued in any year, an assessment may be made in that year on the basis of the income, profits or gains of that portion of the year during which the business, profession or vocation was carried on in addition to the assessment, if any, made on the basis of the income, profits or gains of the previous year.*

(2) *Any person intending to discontinue any business, profession or vocation in which he is engaged, shall give to the Assessor fifteen days' notice of his intention, and, where any person fails to give the notice required by this sub-section, the Assessor may direct that a sum shall be recovered from him by way of penalty equivalent to the amount of tax subsequently assessed on him in respect of any income, profits or gains of the business, profession or vocation up to the date of its discontinuance.*

Change in ownership of business or in partnership.

27. *Notwithstanding any change in the constitution of a firm or of a partnership of persons engaged in any business, profession or vocation, or where any person has succeeded to any business, profession or vocation, the assessment shall be made on the firm or partnership as constituted, or on the persons engaged in the business, profession or vocation, as the case may be, at the time of the making of the assessment.*

Notice of demand.

28. When the *Assessor* has determined a sum to be payable by an assessee under section *24*, he shall serve on the assessee a notice of demand in the prescribed form specifying the sum so payable.

Cancellation of assessment when cause is shown.

29. *Where an assessee* or, in the cases of a company, the principal officer thereof, *within one month from the service of a notice of demand issued under section 28, satisfies the Assessor that he was prevented by sufficient cause from making the return required by section 23, or that he did not receive the notice issued under sub-section (3) of section 23,*

PRESENT ACT—*contd.*

terms of a notice served on him under section 18,] apply by petition to the [Commissioner] for relief against any order of the [Collector] in respect of such assessment [or adjustment].

(2) The petition shall ordinarily be presented within thirty days of receipt of the notice of demand; but the [Commissioner] may receive a petition after the expiration of that period, if he is satisfied that the objector had sufficient cause for not presenting it within that period.

(3) The petition shall be in the prescribed form and verified in the prescribed manner.

22. The [Commissioner] shall fix a day and place for the hearing of the petition, and on the day and at the place, so fixed, or on the day and at the place, if any, to which he has adjourned the hearing, shall hear the petition and pass such order thereon, whether by way of confirmation, reduction, enhancement or cancellation, of the assessment, [or adjustment] or otherwise [and fixing such time for payment], as he thinks fit.

23. The [Chief Revenue-authority] may, of [its] own motion, call for the record of any assessment proceeding which has been taken by any officer subordinate to [it] and make such inquiry and pass such orders thereon as [it] thinks fit:

Provided that [it] shall not pass any order enhancing the sum payable by an assessee without hearing him or giving him a reasonable opportunity of being heard [either in person or by pleader.]

BILL—*contd.*

or sub-section (2) of section 24, or that he had not a reasonable opportunity to comply, or was prevented by sufficient cause from complying, with the terms of the lastmentioned notices, the Assessor may cancel the assessment and proceed to make a fresh assessment in accordance with the provisions of section 24.

Petition against assessment under this Act.

30. (*1*) Any assessee objecting to the amount or rate at which he is assessed under section 24 *or section 29*, or denying his liability to be assessed under this Act, may apply by petition to the *Assistant Commissioner* for relief against any order of the *Assessor* in respect of such assessment:

Provided that no such application may be made in respect of an assessment made under sub-section (4) of section 24, or under that sub-section read with section 29.

(*2*) The petition shall ordinarily be presented within thirty days of receipt of the notice of demand *relating to the assessment objected to*; but the *Assistant Commissioner* may receive a petition after the expiration of that period, if he is satisfied that the objector had sufficient cause for not presenting it within that period.

(*3*) The petition *shall be accompanied by a copy of the order of the Assessor*, shall be in the prescribed form, and *shall be* verified in the prescribed manner.

Hearing of petition.

31. The *Assistant Commissioner* shall fix a day and place for the hearing of the petition, and on the day and at the place so fixed, or on the day and at the place, if any, to which he has adjourned the hearing, shall hear the petition and pass such order thereon, whether by way of confirmation, reduction, enhancement or cancellation of the assessment, or otherwise, as he thinks fit.

Power of review.

32. The *Commissioner* may, of *his* own motion, call for the record of any assessment proceeding which has been taken by any officer subordinate to *him*, and make such inquiry and pass such orders thereon as *he* thinks fit:

Provided that *he* shall not pass any order enhancing the sum payable by an assessee without hearing him or giving him a reasonable opportunity of being heard.

See also clause 60.

PRESENT ACT—*contd.*

24. If the [Collector] or the [Commissioner] in making any assessment [or adjustment] under this Chapter is satisfied that the assessee has concealed the particulars of his income, or has deliberately furnished inaccurate particulars of such income, and has thereby returned it below its real amount, the [Collector] or the [Commissioner] may direct that the assessee shall pay [on the difference between his income as finally ascertained and the amount originally returned by him income-tax at a rate not exceeding double the rate which would otherwise have been payable :]

Provided that no such order shall be made, unless the assessee has been heard, or has been given a reasonable opportunity of being heard :

Provided, further, that no prosecution for an offence against this Act shall be instituted in respect of the same facts on which a [penal assessment is made] under this section.

25. If for any reason income chargeable under this Act has escaped assessment in any year, or has been assessed at too low a rate, the [Collector] may, at any time [in the year next following] assess or re-assess such income, and [all] the provisions of this Act shall apply accordingly.

26. The [Collector] may, at any time within [one] year from the date of any demand made upon an assessee, rectify any mistake [in connection therewith] which has been brought to his notice by such assessee, and make a refund to such assessee, [in respect thereof].

BILL—*contd.*

Penalty for concealment of income.

33. If the *Assessor* or the *Assistant Commissioner*, in making any assessment under this Chapter, is satisfied that the assessee has concealed the particulars of his income, or has deliberately furnished inaccurate particulars of such income, and has thereby returned it below its real amount, the *Assessor* or the *Assistant Commissioner* may direct that the assessee shall, *in addition to the income-tax payable by him,* pay *by way of penalty a sum equal to the amount of income-tax which would have been avoided, if the income so returned by the assessee had been accepted as the correct income*:

Provided that no such order shall be made, unless the assessee has been heard, or has been given a reasonable opportunity of being heard:

Provided, further, that no prosecution for an offence against this Act shall be instituted in respect of the same facts on which a *penalty has been imposed* under this section.

Income escaping assessment.

34. If for any reason income chargeable under this Act has escaped assessment in any year, or has been assessed at too low a rate, the *Assessor* may at any time *within three years of the end of that year, serve on the person liable to pay tax on such income, or, in the case of a company, on the principal officer thereof, a notice containing all or any of the requirements which may be included in a notice under sub-section* (*2*) *of section 23, and may proceed to* assess or re-assess such income, and the provisions of this Act shall, *so far as may be,* apply accordingly *as if the notice were a notice issued under that sub-section.*

Rectification of mistake.

35. (*1*) The *Assessor* may, at any time within *three* years from the date of any demand made upon an assessee, *on his own motion* rectify any mistake *apparent from the record of the assessment, and shall within the like period rectify any such mistake* which has been brought to his notice by such assessee:

Provided that no such rectification shall be made, having the effect of enhancing an assessment unless the Assessor has given notice to the assessee of his intention so to do and has allowed him a reasonable opportunity of being heard.

PRESENT ACT—*contd.*

Nil.

27. The [Collector] or [Commissioner] shall, for the purposes of [any inquiry under] this Chapter, have the same powers as are vested in a Court under the Code of Civil Procedure, 1908, when trying a suit in respect of the following matters:—

(*a*) enforcing the attendance of any person and examining him on oath or affirmation;

(*b*) compelling the production of documents; and

(*c*) issuing commissions for the examination of witness;

and any proceeding before a [Collector] or [Commissioner] under this Chapter shall be deemed to be a "judicial proceeding" within the meaning of sections 193 and 228 of the Indian Penal Code.

28. The [Collector] or [Commissioner] may, for the purposes of this Act,—

(1) [require any person to furnish a return, in the prescribed form, containing, to the best of his belief, the name and address of every person employed in his service who is receiving in virtue of such employment any income not chargeable under the head "Salaries", of such amount as may be prescribed, not being less than six hundred rupees per annum;]

BILL—*contd.*

(2) *Where any such rectification has the effect of reducing the assessment, the Assessor shall* make a refund to such assessee *accordingly.*

(3) *Where any such rectification has the effect of enhancing the assessment, the Assessor shall serve on the assessee a notice of demand in the prescribed form specifying the sum payable, and such notice of demand shall be deemed to be issued under section 28, and the provisions of this Act shall apply accordingly.*

Tax to be calculated to nearest anna.

36. *In the determination of the amount of tax or of a refund payable under this Act, fractions of an anna less than six pies shall be disregarded, and fractions of an anna equal to or exceeding six pies shall be regarded as one anna.*

Power to take evidence on oath, etc.

37. The *Assessor* or *Assistant Commissioner* shall, for the purposes of this Chapter, have the same powers as are vested in a Court under the Code of Civil Procedure, 1908, when trying a suit in respect of the following matters, namely :—

(*a*) enforcing the attendance of any person and examining him on oath or affirmation ;

(*b*) compelling the production of documents; and

(*c*) issuing commissions for the examination of witnesses;

and any proceeding before an *Assessor* or *Assistant Commissioner* under this Chapter shall be deemed to be a " judicial proceeding " within the meaning of sections 193 and 228 of the Indian Penal Code.

Power to call for information.

38. The *Assessor* or *Assistant Commissioner* may for the purposes of this Act,—

Omitted.

PRESENT ACT—*contd.*

(2) require any firm or Hindu undivided family to furnish him with a return of the partners in the firm, or the adult male members of the family, as the case may be, and of their addresses;

(3) require any person whom he has reason to believe to be a trustee, guardian, or agent to furnish him with a return of the names of the persons for or of whom he is trustee, guardian, or agent, and of their addresses.

Nil.

29. The [Collector] or [Commisioner], or any person authorised in writing in this behalf by the [Collector] or [Commissioner], may inspect and, if necessary, take copies or cause copies to be taken of the register of members of any company or of any entry in such register.

CHAPTER IV.

LIABILITY IN SPECIAL CASES.

31. In the case of any guardian, trustee or agent of any person being a minor, lunatic or idiot or residing out of British India (all of which persons are hereinafter in this section included in the term beneficiary) being in receipt on behalf of such beneficiary of any income chargeable under this Act, the tax shall be levied upon and recoverable from such guardian, trustee or agent, as the case may be, in like manner and to the same amount as it would be leviable upon and recoverable from any such beneficiary if of full age, sound mind, or resident in British India, and in direct receipt of such income, and all the provisions of this Act shall apply accordingly.

32. In the case of income chargeable under this Act which is received by the Courts of Wards, the Administrators-General, the Official Trustees or by any receiver or manager (including any person whatever his designa-

BILL—*contd.*

(1) require any firm or Hindu undivided family to furnish him with a return of the partners in the firm, or the adult male members of the family, as the case may be, and of their addresses;

(2) require any person whom he has reason to believe to be a trustee, guardian, or agent, to furnish him with a return of the names of the persons for or of whom he is trustee, guardian, or agent, and of their addresses;

(3) *require any assessee to furnish particulars in respect of any payment made by him and shown in a return furnished or in any accounts or documents produced under section 23.*

Power to inspect the register of members of any company.

39. The *Assessor* or *Assistant Commissioner*, or any person authorised in writing in this behalf by the *Assessor* or *Assistant Commissioner*, may inspect and, if necessary, take copies or cause copies to be taken of the register of members of any company or of any entry in such register.

CHAPTER V.

LIABILITY OF SPECIAL CASES.

Guardians, trustees and agents.

40. In the case of any guardian, trustee or agent or any person being a minor, lunatic or idiot or residing out of British India (all of which persons are hereinafter in this section included in the term beneficiary) being in receipt on behalf of such beneficiary of any income chargeable under this Act, the tax shall be levied upon and recoverable from such guardian, trustee or agent, as the case may be, in like manner and to the same amount as it would be leviable upon and recoverable from any such beneficiary if of full age, sound mind, or resident in British India, and in direct receipt of such income, and all the provisions of this Act shall apply accordingly.

Courts of Wards, etc.

41. In the case of income chargeable under this Act which is received by the Courts of Wards, the Administrators-General, the Official Trustees or by any receiver or

PRESENT ACT—*contd*

tion who in fact manages property on behalf of another) appointed by or under any order of a Court, the tax shall be levied upon and recoverable from such Court of Wards, Administrator-General, Official Trustees, receiver or manager in the like manner and to the same amount as it would be leviable upon and recoverable from any person on whose behalf such income is received, and all the provisions of this Act shall apply accordingly.

33. (*1*) In the case of any person residing out of British India, all profits or gains accruing or arising to such person, whether directly or indirectly, through or from any business connection in British India, shall be deemed to be income accruing or arising within British India, and shall be chargeable to income-tax in the name of the agent of any such person, and such agent shall be deemed to be for all the purposes of this Act the assessee in respect of such income-tax:

Provided that any arrears of tax may be recovered also in accordance with the provisions of this Act from any assets of the non-resident person which are, or may at any time come, within British India.

(*2*) Where a person not resident in British India, and not being a British subject or a firm or company constituted within His Majesty's dominions or a branch thereof, carries on business with a person resident in British India, and it appears to the [Collector] or the [Commissioner], as the case may be, that owing to the close connection between the resident and the non-resident person and to the substantial control exercised by the non-resident over the resident, the course of business between those persons is so arranged, that the business done by the resident in pursuance of his connection with the non-resident produces to the resident either no profits or less than the ordinary profits which might be expected to arise in that business, the profits derived therefrom or which may reasonably be deemed to have been derived therefrom, shall be chargeable to income-tax in the name of the resident person who shall deemed to be, for all the purposes of this Act, the assessee in respect of such income-tax.

BILL—*contd.*

manager (including any person whatever his designation who in fact manages property on behalf of another) appointed by or under any order of a Court, the tax shall be levied upon and recoverable from such Court of Wards, Administrator-General, Official Trustee, receiver or manager in the like manner and to the same amount as it would be leviable upon and recoverable from any person on whose behalf such income is received, and all the provisions of this Act shall apply accordingly.

Non-residents.

42. (*1*) In the case of any person residing out of British India, all profits or gains accruing or arising to such person, whether directly or indirectly, through or from any business connection *or property* in British India, *or from interest on any security of the kinds mentioned in section 8,* shall be deemed to be income accruing or arising within British India, and shall be chargeable to income-tax in the name of the agent of any such person, *or, where there are more agents than one, in the name of such agent as the Commissioner shall determine* and such agent shall be deemed to be, for all the purposes of this Act, the assessee in respect of such income-tax :

Provided that any arrears of tax may be recovered also in accordance with the provisions of this Act from any assets of the non-resident person which are, or may at any time come, within British India.

(2) Where a person not resident in British India, and not being a British subject or a firm or company constituted within His Majesty's dominions or a branch thereof, carries on business with a person resident in British India, and it appears to the *Assessor* or the *Assistant Commissioner,* as the case may be, that owing to the close connection between the resident and the non-resident person and to the substantial control exercised by the non-resident over the resident, the course of business between those persons is so arranged, that the business done by the resident in pursuance of his connection with the non-resident produces to the resident either no profits or less than the ordinary profits which might be expected to arise in that business, the profits derived therefrom or which may reasonably be deemed to have been derived therefrom, shall be chargeable to income-tax in the name of the resident person who shall be deemed to be, for all the purposes of this Act the assessee in respect of such income-tax.

PRESENT ACT—*contd.*

34. Any person employed by or on behalf of a person residing out of British India, or having any business connection with such person, upon whom the [Collector] has caused a notice to be served of his intention of treating him as the agent of the non-resident person shall, for the purposes of this Act, be deemed to be such agent :

Provided that no person shall be deemed to be the agent of a non-resident person, unless he has had an opportunity of being heard by the [Collector] as to his liability.

CHAPTER V.

RECOVERY OF TAX.

35. The amount of income-tax specified as payable in a notice of demand under section [20] or an order under section [22] section [23 or section 24], shall be paid within the time, at the place and to the person mentioned in the notice or order, or if a time is not so mentioned, then on or before the first day of the second month following the date of the notice or order, and any assessee failing so to pay shall be deemed to be in default, provided that, when an assessee has presented a petition under section [21], the [Collector] may in his discretion treat the assessee as not being in default as long as such petition is undisposed of.

36. (*1*) When an assessee is in default in making a payment of income-tax, the [Collector,] in his discretion, may recover from [him a sum not exceeding double the amount of the tax, either] as if it were an arrear of land-revenue, [or] by any process enforceable for the recovery of an arrear of any municipal tax or local rate imposed under any enactment for the time being in force in any part of the [territories administered by the Local Government to which the Collector is subordinate.]

BILL—*contd.*

Agent to include persons treated as such.

43. Any person employed by or on behalf of a person residing out of British India, or having any business connection with such person, upon whom the *Assessor* has caused a notice to be served of his intention of treating him as the agent of the non-resident person shall, for the purposes of this Act, be deemed to be such agent:

Provided that no person shall be deemed to be the agent of a non-resident person, unless he has had an opportunity of being heard by the *Assessor* as to his liability.

CHAPTER VI.

RECOVERY OF TAX AND PENALTIES.

Tax when payable.

44. The amount of income-tax specified as payable in a notice of demand under section 28 or an order under section *31* or section *32* shall be paid within the time, at the place and to the person mentioned in the notice or order, or if a time is not so mentioned, then on or before the first day of the second month following the date of the notice or order, and any assessee failing so to pay shall be deemed to be in default, provided that, when an assessee has presented a petition under section *30*, the *Assessor* may in his discretion treat the assessee as not being in default as long as such petition is undisposed of.

Mode and time of recovery.

45. (*1*) When an assessee is in default in making a payment of income-tax, the *Assessor* may in his discretion *direct that, in addition to the amount of the arrears, a sum not exceeding that amount shall be recovered from the assessee by way of penalty.*

(*2*) *The Assessor may forward to the Collector a certificate under his signature specifying the amount of arrears due from an assessee and the Collector on receipt of such certificate, shall proceed to* recover from *such assessee the amount specified therein* as if it were an arrear of land-revenue.

(*3*) *In any area, with respect to which the Commissioner has directed that any arrears may be recovered* by any process enforceable for the recovery of an arrear of any

PRESENT ACT—*contd.*

(2) If any assessee is in receipt of any income chargeable under the head "Salaries," the [Collector] may require any person paying the same to deduct from any payment subsequent to the date of such requisition any [sum recoverable under sub-section (1),] and such person shall comply with any such requisition and shall pay the sums so deducted to the credit of the Government of India, or as the Governor General in Council directs.

(3) The [Local Government] may direct by what authority any powers or duties incident under any such enactment as aforesaid to the enforcement of any process for the recovery of a municipal tax or local rate shall be exercised or performed when that process is employed under sub-section [(1) for the recovery of income-tax.]

(4) The Local Government may direct, with respect to any specified area that income-tax shall be recovered therein, with, and as an addition to, any municipal tax or local rate by the same person and in the same manner as the municipal tax or local rate is recovered.

(5) Save in accordance with the provisions of section [33 (1)], no proceedings for the recovery of any sum payable under this Act shall be commenced after the expiration of one year from the last day of the year in which any demand is made under this Act.

CHAPTER VI.

REFUNDS TO SHAREHOLDERS AND OTHERS.

37. If—

(a) a shareholder in a company who has received any dividend [from the company]; or

(b) a partner in a firm [on which income-tax has been levied at the maximum rate, in accord-

BILL—*contd.*

municipal tax or local rate imposed under any enactment for the time being in force in any part of the *province, the Assessor may proceed to recover the amount due by such process.*

(5) If any assessee is in receipt of any income chargeable under the head "Salaries," the *Assessor* may require any person paying the same to deduct from any payment subsequent to the date of such requisition any *arrears due from such assessee,* and such person shall comply with any such requisition and shall pay the sums so deducted to the credit of the Government of India, or as the Governor General in Council directs.

(*4*) The *Commissioner* may direct by what authority any powers or duties incident under any such enactment as aforesaid to the enforcement of any process for the recovery of a municipal tax or local rate shall be exercised or performed when that process is employed under sub-section (*3*).

(6) The Local Government may direct, with respect to any specified area, that income-tax shall be recovered therein, with, and as an addition to, any municipal tax or local rate by the same person and in the same manner as the municipal tax or local rate is recovered.

(*7*) Save in accordance with the provisions of *sub-section* (*1*) of section *42*, no proceedings for the recovery of any sum payable under this Act shall be commenced after the expiration of one year from the last day of the year in which any demand is made under this Act.

Recovery of penalties.

46. *Any sum imposed by way of penalty under the provisions of sub-section* (*2*) *of section 26, section 33 or sub-section* (1) *of section 45, shall be recoverable in the manner provided in this Chapter or the recovery of arrears of tax.*

Refunds.

47. (*1*) If a shareholder in a company who has received any dividend therefrom satisfies the *Assessor* that *the rate of income-tax specified in the certificate received by him under*

PRESENT ACT—*contd.*

ance with the proviso to section 14, who has received a share of the profits of the firm;] or

(*c*) the owner of a security from the interest on which income-tax has been deducted in accordance with the provisions of section [15;]

satisfies the [Collector] that his total income in the previous year [was less than any one, as the case may be, of the amounts specified in Schedule II] he shall be entitled to a refund [of a sum calculated] on such dividend, share of profits or interest at the [rates specified in the same Schedule against each such amount.]

Nil.

BILL—*contd.*

section 21 in respect of such dividend is greater than the rate applicable to his total income of the year in which such dividend was received, he shall be entitled to a refund on *the amount of* such dividend (*including the amount of the tax specified in the said certificate*) *calculated at the difference between those rates.*

(2) If a partner in a firm satisfies the *Assessor that the rate of income-tax applicable to his total income of the previous year was less than the rate at which the profits of the firm have been assessed,* he shall be entitled to a refund on *his* share of *those* profits *calculated at the difference between those rates.*

(3) If the owner of a security from the interest on which, *or any person from whose salary,* income-tax has been deducted in accordance with the provisions of section *19* satisfies the *Assessor* that *the rate of income-tax applicable to his total income of the previous year was less than the rate at which income-tax has been charged in making such deduction, he* shall be entitled to a refund on the *amount of* interest *or salary from which such deduction has been made calculated at the difference between those rates.*

Relief in respect of United Kingdom income-tax.

48. (1) *If any person who has paid Indian income-tax for any year on any part of his income proves to the satisfaction of the Assessor that he has paid United Kingdom income-tax for that year in respect of the same part of his income, and that the rate at which he was entitled to, and has obtained, relief under the provisions of section 27 of the Finance Act, 1920, is less than the Indian rate of tax charged in respect of that part of his income, he shall be entitled to a refund of a sum calculated on that part of his income at a rate equal to the difference between the Indian rate of tax and the rate at which he was entitled to and obtained relief under that section:*

Provided that the rate at which the refund is to be given shall not exceed one-half of the Indian rate of tax.

(2) *In sub-section (1)—*

(*a*) *the expression "Indian income-tax" means income-tax and super-tax charged in accordance with the provisions of this Act;*

(*b*) *the expression "Indian rate of tax" means the amount of the Indian income-tax divided by the income on which it was charged;*

PRESENT ACT—*contd.*

38. No claim to any refund under [section 37] shall be allowed, unless it is made within [one] year from the last day of the year to which the claim relates.

CHAPTER VII.

OFFENCES AND PENALTIES.

39. If a person fails without reasonable cause or excuse—

(*a*) to deduct and pay any tax as required by section [15] or under section [36 (*2*)];

Nil.

(*b*) to deliver or cause to be delivered [to the Collector] in due time any of the returns mentioned in section [16], section [17], or section [28];

(*c*) to grant inspection or allow copies to be taken in accordance with the provision of section [29];

(*d*) [to attend or] to produce, or cause to be produced, on or before the date mentioned in [a] notice under section [18], such accounts and documents as are referred to in the notice;

he shall, on conviction before a Magistrate, be punishable with fine which may extend to ten rupees for every day during which the default continues.

40. If a person makes a statement in a verification mentioned in section [17] or section [21 (*3*)] which is false, and which he either knows or believes to be false or does not believe to be true, he shall be deemed to have committed the offence described in section 177 of the Indian Penal Code.

BILL—*contd.*

(*c*) *the expression "United Kingdom income-tax" means income-tax and super-tax chargeable in accordance with the provisions of the Income-tax Acts.*

Limitation of claims for refund.

49. No claim to any refund under *this Chapter* shall be allowed, unless it is made within *three* years from the last day of the year to which the claim relates.

CHAPTER VIII.

OFFENCES AND PENATIES.

Failure to make payments or deliver returns or statements or allow inspection.

50. If a person fails without reasonable cause or excuse :—

(*a*) to deduct and pay any tax as required by section *19* or under *sub-section* (*5*) *of* section *45* ;

(*b*) *to furnish a certificate required by sub-section* (*9*) *of section 19 or by section 21 to be furnished ;*

(*c*) to deliver or cause to be delivered in due time any of the returns *or particulars* mentioned in section *22*, section *23*, or section *38* ;

(*e*) to grant inspection or allow copies to be taken in accordance with the provisions of section *39*,

(*d*) to produce, or cause to be produced, on or before the date mentioned in *any* notice under *sub-section* (*3*) *of* section *23*, such accounts and documents as are referred to in the notice ;

he shall, on conviction before a Magistrate, be punishable with fine which may extend to ten rupees for every day during which the default continues.

False statement in declaration.

51. If a person makes a statement in a verification mentioned in section *23* or *sub-section* (*3*) *of* section *30* which is false, and which he either knows or believes to be false or does not believe to be true, he shall be deemed to have committed the offence described in section 177 of the Indian Penal Code. XLV of 1860.

PRESENT ACT—*contd.*

41. (*1*) A person shall not be proceeded against for an offence under section [39] or section [40], except at the instance of the [Collector].

(*2*) The [Collector] may stay any such proceeding or compound any such offence.

42. All particulars contained in any statement or return made or furnished under the provisions of this Act shall be treated as confidential, and if a public servant discloses any particulars contained in any statement or return [made or furnished under this Act.] he shall be punishable with imprisonment which may extend to six months, and shall also be liable to fine :

Provided that no prosecution shall be instituted under this section, except with the previous sanction of the [Local Government.]

BILL—*contd.*

Prosecution to be at instance of Assistant Commissioner.

52. (*1*) A person shall not be proceeded against for an offence under section *50* or section *51* except at the instance of the *Assistant Commissioner.*

(*2*) The *Assistant Commissioner* may stay any such proceeding or compound any such offence.

Disclosure of information by a public servant.

53. (1) All particulars contained in any statement made, *return* furnished *or accounts or documents produced* under the provisions of this Act, *or in any evidence given or affidavit or deposition made, in the course of any proceedings under this Act other than proceedings under this Chapter, or in any record of any assessment proceeding prepared for the purpose of this Act,* shall be treated as confidential, *and notwithstanding anything contained in the Indian Evidence Act, 1872, no Court shall, save as provided in this Act, be entitled to require any public servant to produce before it any such return, accounts, documents or record or any part of any such record, or to give evidence before it in respect thereof.* 1 of 1872.

(*2*) If a public servant discloses any particulars contained in any *such* statement, return, *accounts, documents, evidence, affidavit, deposition or record,* he shall be punishable with imprisonment which may extend to six months, and shall also be liable to fine :

Provided that nothing in this section shall apply to the disclosure—

(*a*) *of any such particulars for the purposes of a prosecuton under section 193 of the Indian Penal Code in respect of any such statement, return, accounts, documents, evidence, affidavit or deposition, or for the purposes of a prosecution under this Act, or* XLV of 1860

(*b*) *of any such particulars to any person acting in the execution of this Act where it is necessary to disclose the same to him for the purposes of this Act, or*

(*c*) *of such facts, to an authorised officer of the United Kingdom, as may be necessary to enable relief to be given under section 27 of the Finance Act, 1920, or a refund to be given under section 48 of this Act* : 10 and 11 Geo. V, Ch. 18.

Provided *further* that no prosecution shall be instituted under this section except with the previous sanction of the *Commissioner.*

PRESENT ACT—*contd.*

CHAPTER VIII.

MISCELLANEOUS.

43. (*1*) The Governor General in Council may make rules for carrying out the purposes of this Act and for the ascertainment and determination of any class of income, [and may, subject to such restrictions and conditions as he may impose, delegate to a Local Government the power to make such rules so far as regards the territories subject to that Government.]

(*2*) Without prejudice to the generality of the foregoing power, such rules may—

(*a*) [when income is derived in part from agriculture and in part from business,] prescribe the manner, [whether with reference to a class or in particular cases,] by which the [taxable income] shall be arrived at;

(*b*) [prescribe the manner in which, and the procedure by which, the taxable income of] Insurance Companies [shall be arrived at;]

(*c*) prescribe the manner in which, and the procedure by which, the taxable income of] persons [not resident in] British India, [or of persons deemed to be assessees in respect thereof, shall be arrived at;]

(*d*) provide for a system of composition of assessments and prescribe the conditions under which the Collector may enter into composition with assessees as to their assessment;

(*e*) prescribe the procedure to be followed on applications for refunds;

Nil.

Nil.

(*f*) provide for any matter which by this Act is to be prescribed.

BILL—*contd.*

CHAPTER X.

MISCELLANEOUS.

Power to make rules.

58. (*1*) The Governor General may make rules for carrying out the purposes of this Act and for the ascertainment and determination of any class of income. *Such rules may be made for the whole of British India or for such part thereof as may be specified.*

(*2*) Without prejudice to the generality of the foregoing power, such rules may—

(*a*) prescribe the manner in which, and the procedure by which, the income, *profits and gains* shall be arrived at *in the case of*—

(*i*) *businesses part of the income of which is agricultural income;*

(*ii*) insurance companies;

(*iii*) persons residing *out of* British India

Omitted.

(*b*) prescribe the procedure to be followed on applications for refunds;

(*c*) *provide for such arrangements with His Majesty's Government as may be necessary to enable the appropriate relief to be granted under section 27 of the Finance Act, 1920, or under section 48 of this Act;* 10 and 11 Geo. V. Ch 18.

(*d*) *prescribe the year which for the purpose of relief under section 48 is to be taken as corresponding to the year of assessment for the purposes of section 27 of the Finance Act, 1920; and* 10 and 11 Geo. V. Ch. 18.

(*e*) provide for any matter which by this Act is to be prescribed.

PRESENT ACT—*contd.*

(3) Rules made under this section shall be published in the Gazette of India [or the local official gazette, as the case may be,] and shall thereupon have effect as if enacted in this Act.

44. The Governor General in Council may, by notification in the Gazette of India, make an exemption, reduction in rate or other modification, in respect of income-tax in favour of any class of income, or in regard to the whole or any part of the income of any class of persons.

See section 23.

45. When any money is paid under this Act to [the Collector], or is recovered thereunder by [him, he] shall give a receipt for the same, [specifying the prescribed particulars].

46. A notice or requisition under this Act may be served on the person therein named, either by post, or [by the delivery or tender to him of a copy of the notice or requisition] in [the] manner provided by the Code of Civil Procedure, 1908, for the service of summons.

See Section 2 (5).

See Section 2 (5).

47. (1) When an assessee has several places of business in territories subject to different Local Governments, the Governor General in Council may declare which of those places shall, for the purposes of this Act, be deemed to be his principal place of business.

(2) When an assessee has several places of business in the territories subject to a single Local Government, that Government may declare which of them shall, for the purposes of this Act, be deemed to be his principal place of business.

BILL—*contd.*

(3) Rules made under this section shall be published in the Gazette of India, and shall thereupon have effect as if enacted in this Act.

Power to make exemptions, etc.

59. The Governor General in Council may, by notification in the Gazette of India, make an exemption, reduction in rate or other modification, in respect of income-tax in favour of any class of income, or in regard to the whole or any part of the income, of any class of persons.

Appearance by authorised representative.

60. *Any assessee who is entitled or required to attend before any income-tax officer in connection with any proceedings under this Act, may attend either in person or by any person authorised by him in writing in this behalf.*

Receipts.

61 When any money is paid under this Act to *an Assessor,* or is recovered thereunder by *an Assessor or Collector, the Assessor or Collector, as the case may be,* shall give a receipt for the same.

Service of notices.

62. A notice or requisition under this Act may be served on the persons therein named, either by post, or in *any* manner provided by the Code of Civil Procedure, 1908, for the service of summons. V. of 1908.

Place of assessment.

63. (1) *Where* an assessee carries on business at *any place, he shall be assessed at that place, or, where the business is carried on in more places than one, at his* principal place of business.

(2) *In all other cases, an assessee shall be assessed at the place where he* resides.

(3) *Where any question arises under this section as to the place of assessment, such question shall be determined by the Commissioner, or, where the question is between places in more provinces than one, by the Commissioners concerned, or, if they are not in agreement, by the Governor General in Council.*

PRESENT ACT—*contd.*

(3) The powers given by this section may be delegated to, and exercised by, such officers as the Governor General in Council or the Local Government, as the case may be, may appoint in this behalf.]

Nil.

Nil.

48. Every person deducting, retaining or paying any tax in pursuance of this Act in respect of income belonging to another person is hereby indemnified for the deduction, retention or payment thereof.

49. All powers conferred by, or conferrable under, this Act may be exercised from time to time as occasion requires.

50. The Local Government may, by notification in the local official gazette, delegate to the Chief Revenue-authority all or any of the powers conferred on it by this Act for the appointment of officers to exercise or perform the powers or duties of Collectors or Commissioners, and all or any of the powers conferred on it by section 36 and the proviso to section 42.

51. *(1)* If, in the course of any assessment under this Act or any proceeding in connection therewith other than a proceeding under Chapter [VII], a question [has arisen] with reference to the interpretation of any of the provisions of this Act or of any rule thereunder, the Chief Revenue-authority] may, either on [its] own motion or on reference from any [Revenue] officer subordinate to [it], draw up a statement of the case, and refer it with [its], own opinion thereon, to the High Court, and shall [so] refer [any such question on the application of the assessee, unless it is satisfied that the application is frivolous or that a reference is unnecessary.]

BILL—*contd.*

(4) Notwithstanding anything contained in this section, every Assessor shall have all the powers conferred by or under this Act on an Assessor in respect of any income, profits or gains accruing, or arising or received within the area for which he is appointed.

Delegation of powers of the Governor General in Council.

64. *The Governor General in Council may, by notification in the Gazette of India, delegate all or any of his powers under this Act to such authority as may be specified in such notification.*

Indemnity.

65. Every person deducting, retaining or paying any tax in pursuance of this Act in respect of income belonging to another person is hereby indemnified for the deduction, retention or payment thereof.

Omitted.

Omitted.

Statement of case by Commissioner to High Court.

66. *(1)* If in the course of any assessment under this Act or any proceeding in connection therewith other than a proceeding under Chapter *VIII,* a question *of law arises,* the *Commissioner* may, either on *his* own motion or on reference from any *income-tax* officer subordinate to *him,* draw up a statement of the case and refer it with *his* own opinion thereon to the High Court.

(2) Within one month of the passing of an order under section 31, the assessee *in respect of whom the order was passed may, by* application *accompanied by a fee of one hundred rupees, require the Commissioner to refer to the High Court any question of law arising out of such order, and*

PRESENT ACT—*contd.*

(2) If the High Court is not satisfied that the statements contained in [the] case are sufficient to enable it to determine the questions raised thereby, the Court may refer the case back to the [Chief Revenue-authority] by [which] it was stated, to make such additions thereto, or alterations therein, as the Court may direct in that behalf.

(3) The High Court upon the hearing of any such case shall decide the questions raised thereby, and shall deliver its judgment thereon containing the grounds on which such decision is founded, and shall send to the [Chief Revenue-authority] by [which] the case was stated a copy of such judgment under the seal of the Court and the signature of the Registrar; and the [Chief Revenue-authority] shall dispose of the case accordingly, or, if the case arose on reference from any [Revenue] officer subordinate to [it], shall forward a copy of such judgment to such officer who shall dispose of the case conformably to such judgment.

(4) Where a reference is made to the High Court on the application of an assessee, costs shall be in the discretion of the Court.

52. No suit shall be brought in any Civil Court to set aside or modify any assessment made under this Act, and no prosecution, suit or other proceeding shall lie against any Government officer for anything in good faith done or intended to be done under this Act.

BILL—*contd.*

the Commissioner shall, *within one month of the receipt of such application, draw up a statement of the case and* refer it *with his own opinion thereon to the High Court.*

(7) *In this section the expression "question of law" means any question arising* with reference to the interpretation of any of the provisions of this Act or of any rule made thereunder.

(3) If the High Court is not satisfied that the statements in *a* case *referred under this section* are sufficient to enable it to determine the question raised thereby, the Court may refer the case back to the *Commissioner* by *whom* it was stated to make such additions thereto or alterations therein as the Court may direct in that behalf.

(4) The High Court upon the hearing of any such case shall decide the questions *of law* raised thereby, and shall deliver its judgment thereon containing the grounds on which such decision is founded, and shall send to the *Commissioner* by *whom* the case was stated a copy of such judgment under the seal of the Court and the signature of the Registrar, and the *Commissioner* shall dispose of the case accordingly, or, if the case arose on a reference from any *income-tax* officer subordinate to *him*, shall forward a copy of such judgment to such officer who shall dispose of the case conformably to such judgment.

(5) Where a reference is made to the High Court on the application of an assessee, *the* costs shall be in the discretion of the Court.

(6) *Notwithstanding that a reference has been made under this section to the High Court, income-tax shall be payable in accordance with the assessment, if any, made in the case:*

Provided that, if the amount of an assessment is reduced as a result of such reference, the amount overpaid shall be refunded with such interest, if any, as the Commissioner may allow.

Bar of suits in Civil Court.

67. No suit shall be brought in any Civil Court to set aside or modify any assessment made under this Act, and no prosecution, suit or other proceeding shall lie against any Government officer for anything in good faith done or intended to be done under this Act.

PRESENT ACT—*contd.*

53. The enactments mentioned in Schedule [III] are hereby repealed to the extent specified in the fourth column thereof:

Provided that such repeal shall not affect the liability of any person to pay any sum due from him or any existing right of refund under any of the said enactments:

Nil.

SCHEDULE I.

RATES OF TAX.

(See section 14.)

	Rate.
I. When the taxable income is less than Rs. 2,000...	*Nil*
II. When the taxable income is Rs. 2,000 or upwards and—	
(*i*) the total income is less than Rs. 5,000	Five pies in the rupee.
(*ii*) the total income is Rs. 5,000 or upwards, but is less than Rs. 10,000	Six pies in the rupee.
(*iii*) the total income is Rs. 10,000 or upwards, but is less than Rs. 20,000	Nine pies in the rupee.
(*iv*) the total income is Rs. 20,000 or upwards, but is less than Rs. 30,000	One anna in the rupee.

BILL—*contd.*

68. The enactments mentioned in *the* Schedule are hereby repealed to the extent specified in the fourth column thereof:

Repeals.

Provided that such repeal shall not affect the liability of any person to pay any sum due from him or any existing right of refund under any of the said enactments:

Provided, further, that the provisions of section 19 of the Indian Income-tax Act, 1918, shall apply, so far as may be, to all assessments made under that Act in the year ending on the thirty-first day of March, 1921, and where an adjustment shall be made under the provisions of section 19 of the said Act, the provisions of this Act shall apply as if such adjustment were an assessment made under this Act in the year in which the adjustment is made.

VII of 1918.

Omitted.

PRESENT ACT—*contd.*

(v)	the total income is Rs. 30,000 or upwards, but is less than Rs. 40,000	One anna and two pies in the rupee.
(vi)	the total income is Rs. 40,000 or upwards	One anna and four pies in the rupee.

SCHEDULE II.

RATES OF REFUND.

(See section 37.)

	Amount	Refund.
1.	Less than Rs. 2,000	One anna and four pies in the rupee.
2.	Rs. 2,000 or upwards, but less than Rs, 5,000. ...	Eleven pies in the rupee.
3.	Rs. 5,000 or upwards, but less than... Rs. 10,000.	Ten pies in the rupee.
4.	Rs. 10,000 or upwards, but less than... Rs. 20,000	Seven pies in the rupee.
5.	Rs. 20,000 or upwards, but less than... Rs. 30,000.	Four pies in the rupee.
6.	Rs. 30,000 or upwards, but less than... Rs. 40,000.	Two pies in the rupee.

ACT No. XIX OF 1920.

[PASSED BY THE INDIAN LEGISLATIVE COUNCIL.]

Received the assent of the Governor General on the 23rd March, 1920.)

[An Act to amend the law relating to supertax.

WHEREAS it is expedient to amend the law relating to super-tax; It is hereby enacted as follows:—

1. (*1*) This Act may be called the Super-tax Act, 1920;

(*2*) It shall have the same extent as the Indian Income-tax Act, 1918; and

(*3*) It shall come into force on the first day of April, 1920.]

BILL—*contd.*

Omitted.

Omitted.

PRESENT ACT—*contd.*

2. (*1*) [In this Act, unless there is anything repugnant in the subject or context,—

"Principal Act" means the Indian Income-tax Act, 1918;

"super-tax" means a tax imposed by this Act; and

"unregistered firm" means a firm which is not a registered firm.

(*2*) Save as otherwise provided in this Act, words and expressions used herein and defined in the principal Act, shall be deemed to have the meanings respectively attributed to them by that Act.]

3. For the purposes of [this Act taxable income shall be the taxable income computed in the manner laid down in Chapter I of the principal Act, subject to the following modifications, namely, that the proviso to section 7, sub-section (*2*) of section 12 and sub-section (*2*) of section 14 of that Act, shall have no application, and that sub-section (*1*) of section 12 shall have application only in the cases of un-registered firms and Hindu undivided families].

4. In addition to the [tax imposed by section 14 of the principal Act,] there shall, [subject to the following provisions of this Act], be charged [and recovered and paid in the year beginning on the first day of April, 1920, and in each subsequent year—]

(*a*) by [every] individual [subject to this Act, by every unregistered firm and by every] Hindu undivided family, [a super-tax on his or its taxable income at the rate specified in the Schedule, and

(*b*) by every company, upon the amount by which its taxable income exceeds fifty thousand rupees, a super-tax at the rate of one anna in the rupee.]

5. [The Collector shall assess the sum payable after considering the returns, if any, made under section 16, 17 and 28 of the principal Act, and the result of any inquiry made by him under section 18 of that Act. In the cases mentioned in sub-section (*4*) of that section the Collector shall make the assessment to the best of his judgment.]

BILL—*contd.*

Omitted.

Total income for purposes of super-tax.

55. (*1*) For the purposes of *super-tax, the total income of any individual, Hindu undivided family or company shall be the total income as assessed for the purposes of income tax.*

Charge of super-tax.

54. In addition to the *income tax charged for any year,* there shall be charged, *levied and paid for that year in respect of the total income of any* individual, Hindu undivided family or company, *an additional duty of income-tax (in this Act referred to as super-tax) at the rate or rates laid down for that year by Act of the Indian Legislature.*

55. *(2) Where an assessment of total income has become final and conclusive for the purposes of income-tax for any year, the assessment shall also be final and conclusive for the purposes of super-tax for the same year.*

PRESENT ACT—*contd.*

6. [Sections 19 to 23, 25 to 27, Chapters IV and V, sections 42 and 45 to 52 of the principal Act shall, so far as may be, apply in the case of super-tax as if that tax and also, in the case of section 25, as if any tax due under the Super-tax Act, 1917, were income-tax chargeable under the principal Act:

Provided that, in applying the said provisions, the word "prescribed" shall be deemed to mean prescribed by rules made under this Act or by rules made under the principal Act and applied with or without modification under the provisions of this Act.]

Nil.

7. (*1*) The Governor General in Council may make rules for carrying out the purposes of this Act, and may, subject to such restrictions and conditions as he may impose, delegate to a Local Government the power to make such rules so far as regards the territories subject to that Government.

(*2*) Any rules made under section 43 of the principal Act may be applied by notification in the Gazette of India or the local official Gazette, as the case may be, to the purposes of this Act by the authority which made

BILL—*contd.*

Application of Act to super-tax.

57. (1) *All the provisions of this Act, except sections 3, 14, 15, 17, 18, 19, 20, 22 and 47, shall apply, so far as may be, to the charge assessment, collection and recovery of super-tax.*

(2) *Save as provided in section 56, super-tax shall be payable by the assessee direct.*

Non resident partners and shareholders.

58. (1) *In the case of any assessee residing out of British India who is a member of a firm or partnership, and whose share of the profits from such firm or partnership is liable to super-tax, the remaining members of such firm or partnership who are resident in British India shall be jointly and severally liable to pay the super-tax due from the non-resident member.*

(2) *Where any assessee who is liable to pay super-tax on the amount of the dividends received by him from any company is residing out of British India, the principal officer of such company shall be liable to pay the super-tax due by such non-resident person in respect of the dividends received by him from the company.*

(3) *Where any person pays any tax under the provisions of this section on account of an assessee who is residing out of British India, credit shall be given therefore in determining the amount of the tax to be payable by any agent of such non-resident assessee under the provisions of sections 42 and 43.*

Omitted, see clause 58.

PRESENT ACT—*contd.*

the same, with such modifications specified in the notification as may be necessary to facilitate their application to the said purposes.

(3) Rules made or applied under this section shall be published in the Gazette of India or the local official Gazette, as the case may be, and shall thereupon have effect as if enacted in this Act.

8. The Super-tax Act, 1917, is hereby repealed:

Provided that such repeal shall not affect the liability of any person to pay any sum due from him under the said Act.

SCHEDULE.

(*See section 4*).

	Rate.
(1) In respect of the first lakh of rupees of taxable income—	
(*a*) in the case of a Hindu undivided family—	
(*i*) In respect of the first seventy-five thousand rupees of taxable income,	*Nil.*
(*ii*) In respect of the next twenty-five thousand rupees of taxable income.	One anna in the rupee.
(*b*) In all other cases—	
(*i*) In respect of the first fifty thousand rupees of taxable income.	*Nil.*
(*ii*) In respect of the next fifty thousand rupees of taxable income.	One anna in the rupee.
(2) In respect of the first fifty thousand rupees of taxable income over one lakh of rupees.	One and a half anna in the rupee.
(3) In respect of the next fifty thousand rupees of taxable income.	Two anna in the rupee.

BILL—*contd.*

Omitted, see clause 68.

Omitted

PRESENT ACT—*contd.*

(4) In respect of the next fifty thousand rupees of taxable income.	Two and a half annas in the rupee.
(5) In respect of the next fifty thousand rupees of taxable income.	Three annas in the rupee.
(6) In respect of the next fifty thousand rupees of taxable income.	Three and a half annas in the rupee.
(7) In respect of all taxable income over three and a half lakhs of rupees.	Four annas in the rupee.

No. 2161-56.

Chamber of Commerce,
Bombay, 2nd December 1921.

The Secretary to the Government of India,
Legislative Department, Delhi.

Sir,—I am directed to acknowledge receipt of your letter, No. 5584-A.C., dated the 29th September 1921, and its accompaniments, in which the views of my Committee, upon the provisions of this Bill to amend the law relating to Income-tax and Super-tax are invited.

2. In reply I am to state that my Committee have carefully considered the provisions of the Bill in question and that they are of opinion that the Bill is a distinct improvement upon the existing Acts and, if passed, will go far to remove the difficulties which have been experienced in regard to the administration of the law relating to Income-tax and Super-tax—I have etc.,

C. B. SAYER,
Secretary.

Extract from the Gazette of India Part IV, pp. 41-53 *dated the* 11*th March* 1922.

The following Act of the Indian Legislature received the assent of the Governor General on the 5th March, 1922:—

ACT NO. XI OF 1922.

An Act to consolidate and amend the law relating to Income-tax and Super-tax.

Whereas it is expedient to consolidate and amend the law relating to Income-tax and Super-tax; It is hereby enacted as follows:—

Short title, extent and commencement.

1. (*1*) This Act may be called the Indian Income-tax Act, 1922.

(*2*) It extends to the whole of British India, including British Baluchistan and the Sonthal Parganas, and applies also, within the dominions of Princes and Chiefs in India in alliance with His Majesty, to British subjects in those dominions who are in the service of the Government of India or of a local authority established in the exercise of the powers of the Governor General in Council in that behalf, and to all other servants of His Majesty in those dominions.

(*3*) It shall come into force on the first day of April, 1922.

Definitions.

2. In this Act, unless there is anything repugnant in the subject or context,—

(*1*) "agricultural income" means—

(*a*) any rent or revenue derived from land which is used for agricultural purposes, and is either assessed to land-revenue in British India or subject to a local rate assessed and collected by officers of Government as such;

(*b*) any income derived from such land by—

(*i*) agriculture, or

(*ii*) the performance by a cultivator or receiver of rent-in-kind of any process ordinarily employed by a cultivator or receiver of rent-in-kind to render the produce raised or received by him fit to be taken to market, or

(*iii*) the sale by a cultivator or receiver of rent-in-kind of the produce raised or received by him, in respect of which no process has been performed other than a process of the nature described in sub-clause (*ii*);

(*c*) any income derived from any building owned and occupied by the receiver of the rent or revenue of any such land, or occupied by the cultivator, or the receiver of rent-in-kind, of any land with respect to which, or the produce of which, any operation mentioned in sub-clauses (*ii*) and (*iii*) of clause (*b*) is carried on:

Provided that the building is on or in the immediate vicinity of the land, and is a building which the receiver of the rent or revenue or the cultivator or the receiver of the rent-in-kind by reason of his connection with the land, requires as a dwelling-house, or as a storehouse, or other out-building ;

(*2*) "assessee" means a person by whom Income-tax is payable;

(*3*) "Assistant Commissioner" means a person appointed to be an Assistant Commissioner of Income-tax under section 5 ;

(*4*) "business" includes any trade, commerce, or manufacture or any adventure or concern in the nature of trade, commerce or manufacture ;

(*5*) "Commissioner" means a person appointed to be a Commissioner of income-tax under section 5 ;

(*6*) "company" means a company as defined in the Indian Companies Act, 1913, or formed in pursuance of an Act of Parliament or of Royal Charter or Letters Patent, or of an Act of the Legislature of a British possession, and includes any foreign association carrying on business in British India whether incorporated or not and whether its principal place of business is situate in British India or not, which the Board of Inland Revenue may, by general or special order, declare to be a company for the purposes of this Act;

VII of 1913.

(*7*) "Income-tax Officer" means a person appointed to be an Income-tax Officer under section 5 ;

(*8*) "Magistrate" means a Presidency Magistrate or a Magistrate of the first class, or a Magistrate of the second class specially empowered by the Local Government to try offences against this Act ;

(*9*) "person" includes a Hindu undivided family ;

(*10*) "prescribed" means prescribed by rules made under this Act ;

(*11*) "previous year" means—

(*a*) the twelve months ending on the 31st day of March next preceding the year for which the assessment is to be made, or, if the accounts of the assessee have been made up to a date within the said twelve months in respect of a year ending on any date other than the said 31st day of March, then at the option of the assessee the year ending on the day to which his accounts have so been made up:

Provided that, if this option has once been exercised by the assessee, it shall not again be exercised so as to vary the meaning of the expression "previous year" as then applicable to such assessee except with the concent of the Income-tax Officer and upon such conditions as he may think fit; or

(*b*) in the case of any person, business or company or class of person, business or company, such period as may be determined by the Board of Inland Revenue or by such authority as the Board may authorise in this behalf;

(*12*) "principal officer," used with reference to a local authority or a company or any other public body or association, means—

(*a*) the secretary, treasurer, manager or agent of the authority, company, body or association, or

(*b*) any person connected with the authority, company, body or association upon whom the Income-tax Officer has served a notice of his intention of treating him as the principal officer thereof;

(*13*) "public servant" has the same meaning as in the Indian Penal Code; XLV of 1860

(*14*) "registered firm" means a firm constituted under an instrument of partnership specifying the individual shares of the partners of which the prescribed particulars have been registered with the Income-tax Officer in the prescribed manner;

(*15*) "total income" means total amount of income, profits and gains from all sources to which this Act applies computed in the manner laid down in section 16; and

(*16*) "unregistered firm" means a firm which is not a registered firm.

CHAPTER I.

CHARGE OF INCOME-TAX.

Charge of Income-tax.

3. Where any Act of the Indian Legislature enacts that income-tax shall be charged for any year at any rate or rates applicable to the total income of an assessee, tax at that rate or those rates shall be charged for that year in accordance with, and subject to the provisions of, this Act in respect of all income, profits and gains of the previous year of every individual, company, firm and Hindu undivided family.

Application of Act.

4. (*1*) Save as hereinafter provided, this Act shall apply to all income, profits or gains, as described or comprised in section 6, from whatever source derived, accruing, or arising, or received in British India, or deemed under the provisions of this Act to accrue, or arise, or to be received in British India.

(*2*) Profits and gains of a business accruing or arising without British India to a person resident in British India shall be deemed to be profits and gains of the year in which they are received or brought into British India, notwithstanding the fact that they did not so accrue or arise in that year, provided that they are so received or brought in within three years of the end of the year in which they accrued or arose.

Explanation.—Profits or gains accruing or arising without British India shall not be deemed to be received or brought into British India within the meaning of this sub-section by reason only of the fact that they are taken into account in the balance sheet prepared in British India.

(*3*) This Act shall not apply to the following classes of income :—

(*i*) Any income derived from property held under trust or other legal obligation wholly for religious or charitable purposes, and in the case of property so held in part only for such purposes, the income applied, or finally set apart for application, thereto.

(*ii*) Any income of a religious or charitable institution derived from voluntary contributions and applicable solely to religious or charitable purposes.

(*iii*) The income of local authorities.

(*iv*) Interest on securities which are held by, or are the property of, any Provident Fund to which the Provident Funds Act, 1897, applies, IX of 1897. or any Provident Insurance Society to which V of 1912. the Provident Insurance Societies Act, 1912, is, or, but for an exemption under that Act, would be, applicable.

(*v*) Any capital sum received in commutation of the whole or a portion of a pension, or in the nature of consolidated compensation for death or injuries, or in payment of any insurance policy, or as the accumulated balance at the credit of a subscriber to any such Provident Fund.

(*vi*) Any special allowance, benefit or perquisite specifically granted to meet expenses wholly and necessarily incurred in the performance of the duties of an office or employment of profit.

(*vii*) Any receipts not being receipts arising from business or the exercise of a profession, vocation or occupation, which are of a casual and non-recurring nature, or are not by way of addition to the remuneration of an employé.

(*viii*) Agricultural income.

In this sub-section "charitable purpose" includes relief of the poor, education, medical relief, and the advancement of any other object of general public utility.

CHAPTER II.

INCOME-TAX AUTHORITIES.

Income-tax authorities.

5. (*1*) There shall be the following classes of Income-tax authorities for the purposes of this Act, namely :—

(*a*) a Board of Inland Revenue,
(*b*) Commissioners of Income-tax,
(*c*) Assistant Commissioners of Income-tax, and
(*d*) Income-tax Officers.

(*2*) The Board of Inland Revenue shall consist of one or more persons appointed by the Governor General in Council.

(*3*) There shall be a Commissioner of Income-tax for each province who shall be appointed by the Governor General in Council after consideration of any recommendation made by the Local Government in this behalf.

(4) Assistant Commissioners of Income-tax and Income-tax Officers shall, subject to the control of the Governor General in Council, be appointed by the Commissioner of Income-tax by order in writing. They shall perform their functions in respect of such classes of persons and such classes of income and in respect of such areas as the Commissioner of Income-tax may direct. The Commissioner may, by general or special order in writing, direct that the powers conferred on the Income-tax Officer and the Assistant Commissioner by or under this Act shall, in respect of any specified case or class of cases, be exercised by the Assistant Commissioner and the Commissioner, respectively, and for the purposes of any case in respect of which such order applies, references in this Act or in any rules made hereunder to the Income-tax Officer and the Assistant Commissioner shall be deemed to be references to the Assistant Commissioner and the Commissioner, respectively.

(5) The Board of Inland Revenue may, by notification in the Gazette of India, appoint Commissioners of Income-tax, Assistant Commissioner of Income-tax and Income-tax Officers to perform such functions in respect of such classes of persons or such classes of income, and for such area, as may be specified in the notification, and thereupon the functions so specified shall cease, within the specified area, to be performed, in respect of the specified classes of persons or classes of income, by the authorities appointed under sub-sections (3) and (4).

(6) Assistant Commissioners of Income-tax and Income-tax Officers appointed under sub-section (4) shall for the purposes of this Act, be subordinate to the Commissioner of Income-tax appointed under sub-section (3) for the province in which they perform their functions.

CHAPTER III.

TAXABLE INCOME.

Heads of income chargeable to income-tax.

6. Save as otherwise provided by this Act, the following heads of income, profits and gains, shall be chargeable to Income-tax in the manner hereinafter appearing, namely :—

(i) Salaries.
(ii) Interest on securities.
(iii) Property.

(*iv*) Business.
(*v*) Professional earnings.
(*vi*) Other sources.

Salaries.

7. (*1*) The tax shall be payable by an assessee under the head "Salaries" in respect of any salary or wages, any annuity, pension or gratuity, and any fees, commissions, perquisites or profits received by him in lieu of, or in addition to, any salary or wages, which are paid by or on behalf of Government, a local authority, a company, or any other public body or association, or by or on behalf of any private employer:

Provided that the tax shall not be payable in respect of any sum deducted under the authority of Government from the salary of any individual for the purpose of securing to him a deferred annuity or of making provision for his wife or children, provided that the sum so deducted shall not exceed one-sixth of the salary.

(*2*) Any income which would be chargeable under this head if paid in British India shall be deemed to be so chargeable if paid to a British subject or any servant of His Majesty in any part of India by the Government or by a local authority established by Governor General in Council.

Interest on securities.

8. The tax shall be payable by an assessee under the head "Interest on securities" in respect of the interest receivable by him on any security of the Government of India or of a Local Government, or on debentures or other securities for money issued by or on behalf of a local authority or a company.

Provided that no income-tax shall be payable on the interest receivable on any security of the Government of India issued or declared to be income-tax free:

Provided, further, that the income-tax payable on the interest receivable on any security of a Local Government issued income-tax free shall be payable by that Local Government.

Property.

9. (*1*) The tax shall be payable by an assessee under the head "Property" in respect of the *bona fide* annual value of property consisting of any buildings or lands appurtenant thereto of which he is the owner, other than such portions of such property as he may occupy for the purposes of his business, subject to the following allowances, namely:—

(*i*) where the property is in the occupation of the owner, or where it is let to a tenant and the owner has undertaken to bear the cost of repairs, a sum equal to one-sixth of such value;

(*ii*) where the property is in the occupation of a tenant who has undertaken to bear the cost of repairs, the difference between such value and the rent paid by the tenant up to but not exceeding on sixth of such value;

(*iii*) the amount of any annual premium paid to insure the property against risk of damage or destruction;

(*iv*) where the property is subject to a mortgage or charge or to a ground rent, the amount of any interest on such mortgage or charge or of any such ground rent;

(*v*) any sums paid on account of land-revenue in respect of the property;

(*vi*) in respect of collection charges, a sum not exceeding the prescribed maximum;

(*vii*) in respect of vacancies, such sum as the Income-tax Officer may determine having regard to the circumstances of the case:

Provided that the aggregate of the allowances made under this sub-section shall in no case exceed the annual value.

(*2*) For the purposes of this section, the expression "annual value" shall be deemed to mean the sum for which the property might reasonably be expected to let from year to year:

Provided that, where the property is in the occupation of the owner for the purposes of his own residence, such sum shall, for the purposes of this section, be deemed not to exceed ten per cent. of the total income of the owner.

Business.

10. (*1*) The tax shall be payable by an assessee under the head "Business" in respect of the profits or gains of any business carried on by him.

(*2*) Such profits or gains shall be computed after making the following allowances, namely:—

(*i*) any rent paid for the premises in which such business is carried on, provided that, when any substantial part of the premises is used as a dwelling-house by the assessee, the allowanc

under this clause shall be such sum as the Income-tax Officer may determine having regard to the proportional part so used;

(*ii*) in respect of repairs, where the assessee is the tenant only of the premises, and has undertaken to bear the cost of such repairs, the amount paid on account thereof, provided that, if any substantial part of the premises is used by the assessee as a dwelling-house, a proportional part only of such amount shall be allowed;

(*iii*) in respect of capital borrowed for the purposes of the business, where the payment of interest thereon is not in any way dependent on the earning of profits, the amount of the interest paid;

Explanation:—Recurring subscriptions paid periodically by shareholders or subscribers in such Mutual Benefit Societies as may be prescribed, shall be deemed to be capital borrowed within the meaning of this clause;

(*iv*) in respect of insurance against risk of damage or destruction of buildings, machinery, plant, furniture, stocks or stores, used for the purposes of the business, the amount of any premium paid;

(*v*) in respect of current repairs to such buildings machinery, plant, or furniture, the amount paid on account thereof;

(*vi*) in respect of depreciation of such buildings, machinery, plant, or furniture being the property of the assessee, a sum equivalent to such percentage on the original cost thereof to the assessee as may in any case or class of cases be prescribed:

Provided that—

(*a*) the prescribed particulars have been duly furnished;

(*b*) where full effect cannot be given to any such allowonce in any year owing to there being no profits or gains chargeable for that year, or owing to the profits or gains chargeable being less than the allowance, the allowance or part of the allowance to which effect has not been given, as the case may be, shall be added to the amount of the allowance for depreciation

for the following year and deemed to be part of that allowance, or, if there is no such allowance for that year, be deemed to be the allowance for that year, and so on for succeeding years; and

(*c*) the aggregate of all such allowances made under this Act or any Act repealed hereby, or under the Indian Income-tax Act, 1886, shall, in no case, exceed the original cost to the assessee of the buildings, machinery, plant, or furniture, as the case may be;

II of 1886.

(*vii*) in respect of any machinery or plant which, in consequence of its having become obsolete, has been sold or discarded, the difference between the original cost to the assessee of the machinery or plant as reduced by the aggregate of the allowances made in respect of depreciation under clause (*vi*), or any Act repealed hereby, or the Indian Income-tax Act, 1886, and the amount for which the machinery or plant is actually sold, or its scrap value;

II of 1886.

(*viii*) any sums paid on account of land-revenue, local rates or municipal taxes in respect of such part of the premises as is used for the purposes of the business;

(*ix*) any expenditure (not being in the nature of capital expenditure) incurred solely for the purpose of earning such profits or gains.

(3) In sub-section (2), the word "paid" means actually paid or incurred according to the method of accounting upon the basis of which the profits or gains are computed under this section.

Professional earnings.

11. (*1*) The tax shall be payable by an assessee under the head "Professional earnings" in respect of the profits or gains of any profession or vocation followed by him.

(2) Such profits or gains shall be computed after making allowance for any expenditure not being in the nature of capital expenditure) incurred solely for the purpose of such profession or vocation, provided that no allowance shall be made on account of any personal expenses of the assessee.

(3) Professional fees paid in any part of India to a person ordinarily resident in British India shall be deemed to be profits or gains chargeable under this head.

Other sources.

12. (1) The tax shall be payable by an assessee under the head "Other sources" in respect of income, profits and gains of every kind and from every source to which this Act applies (if not included under any of the preceding heads).

(2) Such income, profits and gains shall be computed after making allowance for any expenditure (not being in the nature of capital expenditure) incurred solely for the purpose of making or earning such income, profits or gains, provided that no allowance shall be made on account of any personal expenses of the assessee.

Method of accounting.

13. Income, profit and gains shall be computed, for the purposes of sections 10, 11 and 12, in accordance with the method of accounting regularly employed by the assesee:

Provided that, if no method of accounting has been regularly employed, or if the method employed is such that, in the opinion of the Income-tax Officer, the income, profits and gains cannot properly be deduced therefrom, then the computation shall be made upon such basis and in such manner as the Income-tax Officer may determine.

Exemptions of a general nature.

14. (1) The tax shall not be payable by an assessee in respect of any sum which he receives as a member of a Hindu undivided family.

(2) The tax shall not be payable by an assessee in respect of—

(a) any sum which he receives by way of dividend as a shareholder in a company where the profits or gains of the company have been assessed to income-tax; or

(b) such an amount of the profits or gains of any firm which have been assessed to income-tax as is proportionate to his share in the firm.

Exemption in the case of life insurance.

15. (1) The tax shall not be payable by an assessee in respect of any sums paid by him to effect an insurance on his own life or on the life of his wife, or in respect of a contract for a deferred annuity on his own life or on the life of his wife, or as a contribution to any Provident Fund to which the Provident Funds Act, 1897, applies, or to any Provident Fund which complies with the provisions of the Provident Insurance Societies Act, 1912, or has been exempted from the provisions of that Act. IX of 1887. V of 1912.

(2) Where the assessee is a Hindu undivided family, there shall be exempted under sub-section (1) any sums paid to effect an insurance on the life of any male member of the family or of the wife of any member.

(3) The aggregate of any sums exempted under this section shall not, together with any sums exempted under the proviso to sub-section (1) of section 7, exceed one-sixth of the total income of the assessee.

Exemptions and exclusions in determining the total income.

16. (1) In computing the total income of an assessee sums exempted under the proviso to sub-section (1) of section 7, the provisos to section 8, sub-section (2) of section 14 and section 15, shall be included.

(2) For the purposes of sub-section (1), any sum mentioned in clause (a) of sub-section (2) of section 14 shall be increased by the amount of income-tax payable by the company in respect of the dividend received.

Reduction of tax when margin above a certain limit is small.

17. Where owing to the fact that the total income of any assessee has reached or exceeded a certain limit, he is liable to pay income-tax or to pay income-tax at a higher rate, the amount of income-tax payable by him shall, where necessary, be reduced so as not to exceed the aggregate of the following amounts, namely :—

(a) the amount which would have been payable if his total income had been a sum less by one rupee than that limit, and

(b) the amount by which his total income exceeds that sum.

CHAPTER IV.

DEDUCTIONS AND ASSESSMENT.

Payment by deduction at source.

18. (1) Income-tax shall, unless otherwise prescribed in the case of any security of the Government of India, be leviable in advance by deduction at the time of payment in respect of income chargeable under the following heads :—

(i) " Salaries " ; and

(ii) " Interest on securities."

(2) Any person responsible for paying any income chargeable under the head "Salaries" shall, at the time of payment, deduct income-tax on the amount payable at the rate applicable to the estimated income of the assessee under this head:

Provided that such person may, at the time of making any deduction, increase or reduce the amount to be deducted under this sub-section for the purpose of adjusting any excess or deficiency arising out of any previous deduction or failure to deduct.

(3) The person responsible for paying any income chargeable under the head "Interest on securities" shall, at the time of payment, deduct income-tax on the amount of the interest payable at the maximum rate.

(4) All sums deducted in accordance with the provisions of this section shall, for the purpose of computing the income of an assessee, be deemed to be income received.

(5) Any deduction made in accordance with the provisions of this section shall be treated as a payment of income-tax on behalf of the person from whose income the deduction was made, or of the owner of the security, as the case may be, and credit shall be given to him therefor in the assessment, if any, made for the following year under this Act:

Provided that, if such person or such owner obtains, in accordance with the provisions of this Act, a refund of any portion of the tax so deducted, no credit shall be given for the amount of such refund.

(6) All sums deducted in accordance with the provisions of this section shall be paid within the prescribed time by the person making the deduction to the credit of the Government of India, or as the Board of Inland Revenue directs.

(7) If any such person does not deduct and pay the tax as required by this section, he shall, without prejudice to any other consequences which he may incur, be deemed to be personally in default in respect of the tax.

(8) The power to levy by deduction under this section shall be without prejudice to any other mode of recovery.

(9) Every person deducting income-tax in accordance with the provisions of sub-section (3) shall, at the time of payment of interest, furnish to the person to whom the interest is paid a certificate to the effect that income-tax has been deducted, and specifying the amount so deducted, the rate at which the tax has been deducted, and such other particulars as may be prescribed.

Payment in other cases.

19. In the case of income chargeable under any other head than those mentioned in sub-section (1) of section 18, and in any case where income-tax has not been deducted in accordance with the provisions of that section, the tax shall be payable by the assessee direct.

Certificate by company to shareholders receiving dividends.

20. The principal officer of every company shall, at the time of distribution of dividends, furnish to every person receiving a dividend a certificate to the effect that the company has paid or will pay income-tax on the profits which are being distributed, and specifying such other particulars as may be prescribed.

Annual return.

21. The prescribed person in the case of every Government office, and the principal officer or the prescribed person in the case of every local authority, company or other public body or association, and every private employer shall prepare, and, within thirty days from the 31st day of March in each year, deliver or cause to be delivered to the Income-tax Officer in the prescribed form, a return in writing showing—

(a) the name and, so far as it is known, the address, of every person who was receiving on the said 31st day of March, or has received during the year ending on that date, from the authority, company, body, association or private employer, as the case may be, any income chargeable under the head "Salaries" of such amount as may be prescribed;

(b) the amount of the income so received by each such person, and the time or times at which the same was paid;

(c) the amount deducted in respect of income-tax from the income of each such person.

22. (*1*) The principal officer of every company shall prepare, and, on or before the fifteenth day of June in each year, furnish to the Income-tax Officer a return, in the prescribed form and verified in the prescribed manner, of the total income of the company during the previous year:

Return of income.

Provided that the Income-tax Officer may, in his discretion, extend the date for the delivery of the return in the case of any company or class of companies.

(*2*) In the case of any person other than a company whose total income is, in the Income-tax Officer's opinion, of such an amount as to render such person liable to income-tax, the Income-tax Officer shall serve a notice upon him requiring him to furnish, within such period, not being less than thirty days as may be specified in the notice, a return in the prescribed form and verified in the prescribed manner setting forth (along with such other particulars as may be provided for in the notice) his total income during the previous year.

3. If any person has not furnished a return within the time allowed by or under sub-section (*1*) or sub-section (*2*), or having furnished a return under either of those sub-sections, discovers any omission or wrong statement therein, he may furnish a return or a revised return, as the case may be, at any time before the assessment is made, and any return so made shall be deemed to be a return made in due time under this section.

(*4*) The Income-tax Officer may serve on the principal officer of any company or on any person upon whom a notice has been served under sub-section (*2*) a notice requiring him, on a date to be therein specified, to produce, or cause to be produced, such accounts or documents as the Income-tax Officer may require:

Provided that the Income-tax Officer shall not require the production of any accounts relating to a period more than three years prior to the previous year.

23. (*1*) If the Income-tax Officer is satisfied that a return made under section 22 is correct and complete, he shall assess the total income of the assessee, and shall determine the sum payable by him on the basis of such return.

Assessment.

(2) If the Income-tax Officer has reason to believe that a return made under section 22 is incorrect or incomplete, he shall serve on the person who made the return a notice requiring him, on a date to be therein specified, either to attend at the Income-tax Officer's office or to produce, or to cause to be there produced, any evidence on which such person may rely in support of the return.

(3) On the day specified in the notice issued under sub-section (2), or as soon afterwards as may be, the Income-tax Officer, after hearing such evidence as such person may produce and such other evidence as the Income-tax Officer may require, on specified points, shall, by an order in writing, assess the total income of the assessee, and determine the sum payable by him on the basis of such assessment.

(4) If the principal officer of any company or any other person fails to make a return under sub-section (1) or sub-section (2) of section 22, as the case may be, or fails to comply with all the terms of a notice issued under sub-section (4) of the same section or, having made a return, fails to comply with all the terms of a notice issued under sub-section (2) of this section, the Income-tax Officer shall make the assessment to the best of his judgment.

Set off of loss in computing aggregate income.

24. (1) Where any assessee sustains a loss of profits or gains in any year under any of the heads mentioned in section 6, he shall be entitled to have the amount of the loss set off against his income, profits or gains under any other head in that year.

(2) Where the assessee is a registered firm, and the loss sustained cannot wholly be set off under sub-section (1), any member of such firm shall be entitled to have set off against any income, profits or gains of the year in which the loss was sustained in respect of which the tax is payable by him such amount of the loss not already set off as is proportionate to his share in the firm.

Assessment in case of discontinued business.

25. (1) Where any business, profession or vocation commenced after the 31st day of March, 1922, is discontinued in any year, an assessment may be made in that year on the basis of the income, profits

or gains of the period between the end of the previous year and the date of such discontinuance in addition to the assessment, if any, made on the basis of the income, profits or gains of the previous year.

(2) Any person discontinuing any such business, profession or vocation shall give to the Income-tax Officer notice of such discontinuance within fifteen days thereof, and, where any person fails to give the notice required by this sub-section, the Income-tax Officer may direct that a sum shall be recovered from him by way of penalty not exceeding the amount of tax subsequently assessed on him in respect of any income, profits or gains of the business, profession or vocation up to the date of its discontinuance.

(3) Where any business, profession or vocation which was in existence at the commencement of this Act, and on which tax was at any time charged under the provisions of the Indian Income-tax Act, 1918, is discontinued, no tax shall be payable in respect of the income, profits and gains of the period between the end of the previous year and the date of such discontinuance, and the assessee may further claim that the income, profits and gains of the previous year shall be deemed to have been the income, profits and gains of the said period. Where any such claim is made, an assessment shall be made on the basis of the income, profits and gains of the said period, and if an amount of tax has already been paid in respect of the income, profits and gains of the previous year exceeding the amount payable on the basis of such assessment, a refund shall be given of the difference. VII of 1918

(4) Where an assessment is to be made under sub-section (1) or sub-section (3), the Income-tax Officer may serve on the person whose income, profits and gains are to be assessed, or, in the case of a firm, on any person who was a member of such firm at the time of its discontinuance, or, in the case of a company, on the principal officer thereof, a notice containing all or any of the requirements which may be included in a notice under sub-section (2) of section 22, and the provisions of this Act shall, so far as may be, apply accordingly as if the notice were a notice issued under that sub-section.

Change in ownership of business.

26. Where any change occurs in the constitution of a firm or where any person has succeeded to any business, profession or vocation, the assessment shall be made on the firm

as constituted, or on the person engaged in the business, profession or vocation, as the case may be, at the time of the making of the assessment.

Cancellation of assessment when cause is shown.

27. Where an assessee or, in the case of a company, the principal officer thereof, within one month from the service of a notice of demand issued as hereinafter provided, satisfies the Income-tax Officer that he was prevented by sufficient cause from making the return required by section 22, or that he did not receive the notice issued under sub-section (*4*) of section 22, or sub-section (*2*) of section 23, or that he had not a reasonable opportunity to comply, or was prevented by sufficient cause from complying with the terms of the last-mentioned notices, the Income-tax Officer shall cancel the assessment and proceed to make a fresh assessment in accordance with the provisions of section 23.

Penalty for concealment of income.

28. (*1*) If the Income-tax Officer, the Assistant Commissioner or the Commissioner in the course of any proceedings under this Act, is satisfied that an assessee has concealed the particulars of his income, or has deliberately furnished inaccurate particulars of such income, and has thereby returned it below its real amount, he may direct that the assessee shall, in addition to the income-tax payable by him, pay by way of penalty a sum not exceeding the amount of income-tax which would have been avoided if the income so returned by the assessee had been accepted as the correct income:

Provided that no such order shall be made, unless the assessee has been heard, or has been given a reasonable opportunity of being heard:

Provided, further, that no prosecution for an offence against this Act shall be instituted in respect of the same facts on which a penalty has been imposed under this section.

(*2*) An Assistant Commissioner or a Commissioner who has made an order under sub-section (*1*) shall forthwith send a copy of the same to the Income-tax Officer.

Notice of demand.

29. When the Income-tax Officer has determined a sum to be payable by an assessee under section 23, or when an order has been passed under sub-section (*2*) of section 25 or section 28 for the payment of a penalty, the Income-tax

Officer shall serve on the assessee a notice of demand in the prescribed form specifying the sum so payable.

Appeal against assessment under this Act.

30. (*1*) Any assessee objecting to the amount or rate at which he is assessed under section 23 or section 27, or denying his liability to be assessed under this Act, or objecting to a refusal of an Income-tax Officer to make a fresh assessment under section 27, or to any order against him under sub-section (*2*) of section 25 or section 28, made by an Income-tax Officer, may appeal to the Assistant Commissioner against the assessment or against such refusal or order:

Provided that no appeal shall lie in respect of an assessment made under sub-section (*4*) of section 23, or under that sub-section read with section 27.

(*2*) The appeal shall ordinarily be presented within thirty days of receipt of the notice of demand relating to the assessment or penalty objected to, or of the date of the refusal to make a fresh assessment under section 27, as the case may be; but the Assistant Commissioner may admit an appeal after the expiration of the period if he is satisfied that the appellant had sufficient cause for not presenting it within that period.

(*3*) The appeal shall be in the prescribed form, and shall be verified in the prescribed manner.

Hearing of appeal.

31. (*1*) The Assistant Commissioner shall fix a day and place for the hearing of the appeal, and may from time to time adjourn the hearing.

(*2*) The Assistant Commissioner may, before disposing of any appeal, make such further inquiry as he thinks fit, or cause further inquiry to be made by the Income-tax Officer.

(*3*) In disposing of an appeal the Assistant Commissioner may, in the case of an order of assessment,—

(*a*) confirm, reduce, enhance or annul the assessment, or

(*b*) set aside the assessment and direct the Income-tax Officer to make a fresh assessment after making such further inquiry as the Income-tax Officer thinks fit or the Assistant Commissioner may direct, and the Income-tax Officer shall thereupon proceed to make such fresh assessment,

or, in the cases of an order under sub-section (2) of section 25 or section 28,

(c) confirm, cancel or vary such order:

Provided that the Assistant Commissioner shall not enhance an assessment unless the appellant has had a reasonable opportunity of showing cause against such enhancement.

Appeals against orders of Assistant Commissioner.

32. (1) Any assessee objecting to an order passed by an Assistant Commissioner under section 28 or to an order enhancing his assessment under sub-section (3) of section 31, may appeal to the Commissioner within thirty days of the making of such order.

(2) The appeal shall be in the prescribed form, and shall be verified in the prescribed manner.

(3) In disposing of the appeal the Commissioner may, after giving the appellant an opportunity of being heard, pass such orders thereon as he thinks fit.

Power of review.

33. (1) The Commissioner may of his own motion call for the record of any proceeding under this Act which has been taken by any authority subordinate to him or by himself when exercising the powers of an Assistant Commissioner under sub-section (4) of section 5.

(2) On receipt of the record the Commissioner may make such inquiry or cause such inquiry to be made and, subject to the provisions of this Act may pass such orders thereon as he thinks fit:

Provided that he shall not pass any order prejudicial to an assessee without hearing him or giving him a reasonable opportunity of being heard.

Income escaping assessment.

34. If for any reason, income, profits or gains chargeable to income-tax has escaped assessment in any year, or has been assessed at too low a rate, the Income-tax Officer may, at any time within one year of the end of that year, serve on the person liable to pay tax on such income, profits or gains, or, in the case of a company, on the principal officer thereof, a notice containing all or any of the requirements which may be included in a notice under sub-section (2) of section 22, and may proceed to assess or re-assess such income, profits or gains, and

the provisions of this Act shall, so far as may be, apply accordingly as if the notice were a notice issued under that sub-section :

Provided that the tax shall be charged at the rate at which it would have been charged had the income, profits or gains not escaped assessment or full assessment, as the case may be.

Rectification of mistake.

35. (*1*) The Income-tax Officer may, at any time within one year from the date of any demand made upon an assessee, on his own motion rectify any mistake apparent from the record of the assessment, and shall within the like period rectify any such mistake which has been brought to his notice by such assessee :

Provided that no such rectification shall be made, having the effect of enhancing an assessment unless the Income-tax Officer has given notice to the assessee of his intention so to do and has allowed him a reasonable opportunity of being heard.

(*2*) Where any such rectification has the effect of reducing the assessment, the Income-tax Officer shall make any refund which may be due to such assessee.

(*3*) Where any such rectification has the effect of enhancing the assessment, the Income-tax Officer shall serve on the assessee a notice of demand in the prescribed form specifying the sum payable, and such notice of demand shall be deemed to be issued under section 29, and the provisions of this Act shall apply accordingly.

Tax to be calculated to nearest anna.

36. In the determination of the amount of tax or of a refund payable under this Act, fractions of an anna less than six pies shall be disregarded, and fractions of an anna equal to or exceeding six pies shall be regarded as one anna.

Power to take evidence on oath, etc.

37. The Income-tax Officer, Assistant Commissioner and Commissioner shall, for the purposes of this Chapter, have the same powers as are vested in a Court under the Code of Civil Procedure, 1908, when trying a suit in respect of the following matters, namely :— V. of 1908.

(*a*) enforcing the attendance of any person and examining him on oath or affirmation;

(*b*) compelling the production of documents; and

(*c*) issuing commissions for the examination of witnesses;

and any proceeding before an Income-tax Officer, Assistant Commissioner or Commissioner under this Chapter shall be deemed to be a "judicial proceeding" within the meaning of sections 193 and 228 of the Indian Penal Code.

XLV of 1860.

Power to call for information.

38. The Income-tax Officer or Assistant Commissioner may, for the purposes of this Act,—

(1) require any firm, or Hindu undivided family to furnish him with a return of the members of the firm, or of the manager or adult male members of the family, as the case may be, and of their addresses;

(2) require any person whom he has reason to believe to be a trustee, guardian, or agent, to furnish him with a return of the names of the persons for or of whom he is trustee, guardian, or agent, and of their addresses.

Power to inspect the register of members of any company.

39. The Income-tax Officer or Assistant Commissioner, or any person authorised in writing in this behalf by the Income-tax Officer or Assistant Commissioner, may inspect and, if necessary, take copies, or cause copies to be taken, of any register of the members, debenture holders or mortgagees of any company or of any entry in such register.

CHAPTER V.

LIABILITY IN SPECIAL CASES.

Guardian, trustees and agents.

40. In the case of any guardian, trustee or agent of any person being a minor, lunatic or idiot or residing out of British India (all of which persons are hereinafter in this section included in the term beneficiary) being in receipt on behalf of such beneficiary of any income, profits or gains chargeable under this Act, the tax shall be levied upon and recoverable from such guardian, trustee or agent, as the case may be, in like manner and to the same amount as it would be leviable upon and recoverable from any such beneficiary if of

full age, sound mind, or resident in British India, and in direct receipt of such income, profits or gains, and all the provisions of this Act shall apply accordingly.

Courts of Wards, etc.

41. In the case of income, profits or gains chargeable under this Act which are received by the Courts of Wards, the Administrators-General, the Official Trustees or by any receiver or manager (including any person whatever his designation who in fact manages property on behalf of another) appointed by or under any order of a Court, the tax shall be levied upon and recoverable from such Court of Wards, Administrator-General, Official Trustee, receiver or manager in the like manner and to the same amount as it would be leviable upon and recoverable from any person on whose behalf such income, profits or gains are received, and all the provisions of this Act shall apply accordingly.

Non-residents.

42. (*1*) In the case of any person residing out of British India, all profits or gains accruing or arising to such person, whether directly or indirectly, through or from any business connection or property in British India, shall be deemed to be income accruing or arising within British India, and shall be chargeable to income-tax in the name of the agent of any such person, and such agent shall be deemed to be, for all the purposes of this Act, the assessee in respect of such income-tax :

Provided that any arrears of tax may be recovered also in accordance with the provisions of this Act from any assets of the non-resident person which are, or may at any time come, within British India.

(*2*) Where a person not resident in British India, and not being a British subject or a firm or company constituted within His Majesty's dominions or a branch thereof, carries on business with a person resident in British India, and it appears to the Income-tax Officers or the Assistant Commissioner, as the case may be, that owing to the close connection between the resident and the non-resident person and to the substantial control exercised by the non-resident over the resident, the course of business between those persons is so arranged, that the business done by the resident in pursuance of his connection with the non-resident produces to the resident either no profits or less than the ordinary profits which might be expected to arise in that business, the profits derived therefrom

or which may reasonably be deemed to have been derived therefrom, shall be chargeable to income-tax in the name of the resident person who shall be deemed to be, for all the purposes of this Act, the assessee in respect of such income-tax.

Agent to include persons treated as such.

43. Any person employed by or on behalf of a person residing out of British India, or having any business connection with such person, or through whom such person is in the receipt of any income, profits or gains upon whom the Income-tax Officer has caused a notice to be served of his intention of treating him as the agent of the non-resident person shall, for all the purposes of this Act, be deemed to be such agent :

Provided that no person shall be deemed to be the agent of a non-resident person, unless he has had an opportunity of being heard by the Income-tax Officer as to his liability.

Liability in case of a discontinued firm or partnership.

44. Where any business, profession or vocation carried on by a firm has been discontinued, every person who was at the time of such discontinuance a member of such firm shall be jointly and severally liable for the amount of the tax payable in respect of the income, profits and gains of the firm.

CHAPTER VI.

RECOVERY OF TAX AND PENALTIES.

Tax when payable.

45. Any amount specified as payable in a notice of demand under section 29 or an order under section 31 or section 32 or section 33, shall be paid within the time, at the place and to the person mentioned in the notice or order, or if a time is not so mentioned, then on or before the first day of the second month following the date of the service of the notice or order, and any assessee failing so to pay shall be deemed to be in default, provided that, when an assessee has presented an appeal under section 30, the Income-tax Officer may in his discretion treat the assessee as not being in default as long as such appeal is undisposed of.

Mode and time of recovery.

46. (1) When an assessee is in default in making a payment of income-tax, the Income-tax Officer may in his discretion direct that, in addition to the amount of the arrears a sum not exceeding that amount shall be recovered from the assessee by way of penalty.

(2) The Income-tax Officer may forward to the Collector a certificate under his signature specifying the amount of arrears due from an assessee, and the Collector, on receipt of such certificate, shall proceed to recover from such assessee the amount specified therein as if it were an arrear of land-revenue.

(3) In any area, with respect to which the Commissioner has directed that any arrears may be recovered by any process enforceable for the recovery of an arrear of any municipal tax or local rate imposed under any enactment for the time being in force in any part of the province, the Income-tax Officer may proceed to recover the amount due by such process.

(4) The Commissioner may direct by what authority any powers or duties incident under any such enactment as aforesaid to the enforcement of any process for the recovery of a municipal tax or local rate shall be exercised or performed when that process is employed under sub-section (3).

(5) If any assessee is in receipt of any income chargeable under the head "Salaries," the Income-tax Officer may require any person paying the same to deduct from any payment subsquent to the date of such requisition any arrears due from such assessee, and such person shall comply with any such requisition, and shall pay the sums so deducted to the credit of the Government of India, or as the Board of Inland Revenue directs.

(6) The Local Government may direct, with respect to any specified area, that income-tax shall be recovered therein, with, and as an addition to, any municipal tax or local rate by the same person and in the same manner as the municipal tax or local rate is recovered.

(7) Save in accordance with the provisions of sub-section (1) of section 42, no proceedings for the recovery of any sum payable under this Act shall be commenced after the expiration of one year from the last day of the year in which any demand is made under this Act.

Recovery of penalties.

47. Any sum imposed by way of penalty under the provisions of sub-section (2) of section 25, section 28 or sub-section (1) of section 46, shall be recoverable in the manner provided in this Chapter for the recovery of arrear of tax.

CHAPTER VII.

REFUNDS.

Refunds.

48. (1) If a shareholder in a company who has received any dividend therefrom satisfies the Income-tax Officer that the rate of income-tax applicable to the profits or gains of the company at the time of the declaration of such dividend is greater than the rate applicable to his total income of the year in which such dividend was declared, he shall, on production of the certificate received by him under the provisions of section 20, be entitled to a refund on the amount of such dividend (including the amount of the tax thereon) calculated at the difference between those rates.

(2) If a member of a registered firm satisfies the Income-tax Officer that the rate of income-tax applicable to his total income of the previous year was less than the rate at which income-tax has been levied on the profits or gains of the firm of that year, he shall be entitled to a refund on his share of those profits or gains calculated at the difference between those rates.

(3) If the owner of a security from the interest on which, or any person from whose salary, income-tax has been deducted in accordance with the provisions of section 18, satisfies the Income-tax Officer that the rate of income-tax applicable to his total income of the previous year was less than the rate at which income-tax as been charged in making such deduction in that year, he shall be entitled to a refund on the amount of interest or salary from which such deduction has been made calculated at the difference between those rates.

Relief in respect of United Kingdom income-tax.

49. (1) If any person who has paid Indian income-tax for any year on any part of his income proves to the satisfaction of the Income-tax Officer that he has paid United Kingdom income-tax for that year in respect of the same part of his income,

and that the rate at which he was entitled to, and has obtained, relief under the provisions of section 27 of the Finance Act, 1920, is less than the Indian rate of tax charged in respect of that part of his income, he shall be entitled to a refund of a sum calculated on that part of his income at a rate equal to the difference between the Indian rate of tax and the rate at which he was entitled to, and obtained, relief under that section: 10 & 11 Geo. V, Ch. 18.

Provided that the rate at which the refund is to be given shall not exceed one-half of the Indian rate of tax.

(2) In sub-section (1)—

(a) the expression "Indian income tax" means income tax and super-tax charged in accordance with the provisions of this Act;

(b) the expression "Indian rate of tax" means the amount of the Indian income-tax divided by the income on which it was charged;

(c) the expression "United Kingdom income-tax" means income-tax and super-tax chargeable in accordance with the provisions of the Income-tax Acts.

Limitation of claims for refund.

50. No claim to any refund of income-tax under this Chapter, shall be allowed, unless it is made within one year from the last day of the year in which the tax was recovered.

CHAPTER VIII.

OFFENCES AND PENALTIES.

Failure to make payments or deliver returns or statements or allow inspection.

51. If a person fails without reasonable cause or excuse—

(a) to deduct and pay any tax as required by section 18 or under sub-section (5) of section 46;

(b) to furnish a certificate required by sub-section (9) of section 18 or by section 20 to be furnished;

(*c*) to furnish in due time any of the returns mentioned in section 21, section 22, or section 38;

(*d*) to produce, or cause to be produced, on or before the date mentioned in any notice under sub-section (*4*) of section 22, such accounts and documents as are referred to in the notice;

(*e*) to grant inspection or allow copies to be taken in accordance with the provisions of section 39;

he shall, on conviction before a Magistrate, be punishable with fine which may extend to ten rupees for every day during which the default continues.

False statement in declaration.

52. If a person makes a statement in a verification mentioned in section 22, or sub-section (*3*) of section 30, or sub-section (*2*) of section 32 which is false, and which he either knows or believes to be false, or does not believe to be true, he shall be deemed to have committed the offence de-
XLV of 1860 scribed in section 177 of the Indian Penal Code.

Prosecution to be at instance of Assistant Commissioner.

53. (*1*) A person shall not be proceeded against for an offence under section 51 or section 52 except at the instance of the Assistant Commissioner.

(*2*) The Assistant Commissioner may stay any such proceeding or compound any such offence.

Disclosure of information by a public servant.

54. (*1*) All particulars contained in any statement made, return furnished or accounts or documents produced under the provisions of this Act, or in any evidence given, or affidavit or deposition made, in the course of any proceedings under this Act other than proceedings under this Chapter, or in any record of any assessment proceeding, or any proceeding relating to the recovery of a demand, prepared for the purposes of this Act, shall be treated as confidential, and, notwithstanding anything
I of 1872. contained in the Indian Evidence Act, 1872, no Court shall, save as provided in this Act, be entitled to require any public servant to produce before it any such return, accounts, documents or record or any part of any such record, or to give evidence before it in respect thereof.

(2) If a public servant discloses any particulars contained in any such statement, return, accounts, documents, evidence, affidavit, deposition or record, he shall be punishable with imprisonment which may extend to six months, and shall also be liable to fine:

Provided that nothing in this section shall apply to the disclosure—

(a) of any such particulars for the purposes of a prosecution under section 193 of the Indian Penal Code in respect of any such statement, return, accounts, documents, evidence, affidavit or deposition, or for the purposes of a prosecution under this Act, or XLV of 1860.

(b) of any such particulars to any person acting in the execution of this Act where it is necessary to disclose the same to him for the purposes of this Act, or

(c) of any such particulars occasioned by the lawful employment under this Act of any process for the service of any notice or the recovery of any demand, or

(d) of such facts, to an authorised officer of the United Kingdom, as may be necessary to enable relief to be given under section 27 of the Finance Act, 1920, or a refund to be given under section 49 of this Act: 10 and 11 Geo. V, Ch. 18.

Provided, further, that no prosecution shall be instituted under this section except with the previous sanction of the Commissioner.

CHAPTER IX.

SUPER-TAX.

Charge of super-tax.

55. In addition to the income-tax charged for any year, there shall be charged, levied and paid for that year in respect of the total income of the previous year of any individual, unregistered firm, Hindu undivided family or company, an additional duty of income-tax (in this Act referred to as super-tax) at the rate or rates laid down for that year by Act of the Indian Legislature:

Provided that, where the profits and gains of an unregistered firm have been assessed to super-tax, super-

tax shall not be payable by an individual having a share in the firm in respect of the amount of such profits and gains which is proportionate to his share.

Total income for purposes of super-tax.

56. Subject to the provisions of this Chapter, the total income of any individual, unregistered firm, Hindu undivided family or company shall, for the purposes of super-tax, be the total income as assessed for the purposes of income-tax, and where an assessment of total income has become final and conclusive for the purposes of income-tax for any year, the assessment shall also be final and conclusive for the purposes of super-tax for the same year.

Non-resident partners and shareholders.

57. (*1*) In the case of any assessee residing out of British India who is a member of a registered firm, and whose share of the profits from such firm is liable to super-tax, the remaining members of such firm who are resident in British India shall be jointly and severally liable to pay the super-tax due from the non-resident member in respect of such share.

(*2*) Where any assessee who is liable to pay super-tax on the amount of the dividends receivable by him from any company is, to the knowledge of the principal officer of the company, residing out of British India, the principal officer shall be liable to pay the super-tax due by such non-resident person in respect of the dividends received by him from the company, and shall have power to deduct the amount of such super-tax from the amount payable by the company to such assessee.

(*3*) Where any person pays any tax under the provisions of this section on account of an assessee who is residing out of British India, credit shall be given therefor in determining the amount of the tax to be payable by any agent of such non-resident assessee under the provisions of sections 42 and 43.

Application of Act to super-tax.

58. (*1*) All the provisions of this Act, except section 3, the proviso to sub-section (*1*) of section 7, the provisos to section 8, sub-section (2) of section 14, and sections 15, 17, 18, 19, 20, 21 and 48 shall apply, so far as may be, to the charge, assessment, collection and recovery of super-tax.

(*2*) Save as provided in section 57, super-tax shall be payable by the assessee direct.

CHAPTER X.

MISCELLANEOUS.

Power to make rules.

59. (*1*) The Board of Inland Revenue may, subject to the control of the Governor General in Council, make rules for carrying out the purposes of this Act and for the ascertainment and determination of any class of income. Such rules may be made for the whole of British India or for such part thereof as may be specified.

(*2*) Without prejudice to the generality of the foregoing power, such rules may—

(*a*) prescribe the manner in which, and the procedure by which, the income, profits and gains shall be arrived at in the case of—

(*i*) income derived in part from agriculture and in part from business ;

(*ii*) insurance companies ;

(*iii*) persons residing out of British India ;

(*b*) prescribe the procedure to be followed on applications for refunds ;

(*c*) provide for such arrangements with His Majesty's Government as may be necessary to enable the appropriate relief to be granted under section 27 of the Finance Act, 1920, or under section 49 of this Act ; 10 & 11 Geo. V, Ch. 18,

(*d*) prescribe the year which, for the purpose of relief under section 49, is to be taken as corresponding to the year of assessment for the purposes of section 27 of the Finance Act, 1920 ; and

(*e*) provide for any matter which by this Act is to be prescribed. 10 & 11 Geo. V, Ch. 18,

(*3*) The power to make rules conferred by this section shall, except on the first occasion of the exercise thereof, be subject to the condition of previous publication.

(*4*) Rules made under this section shall be published in the Gazette of India, and shall thereupon have effect as if enacted in this Act.

Power to make exemptions, etc.

60. The Governor General in Council may, by notification in the Gazette of India, make an exemption, reduction in rate or other modification, in respect of income-tax in favour of any class of income, or in regard

to the whole or any part of the income of any class of persons.

Appearance by authorised representatives.

61. Any assessee, who is entitled or required to attend before any Income-tax authority in connection with any proceedings under this Act, may attend either in person or by any person authorised by him in writing in this behalf.

Receipts to be given.

62. A receipt shall be given for any money paid or recovered under this Act.

Service of notices.

63. (1) A notice or requisition under this Act may be served on the person therein-named either by post or, as if it were a summons issued by a Court, under the Code of Civil Procedure, 1908.

V of 1908.

(2) Any such notice or requisition may, in the case of a firm or a Hindu undivided family, be addressed to any member of the firm or on the manager, or any adult male member of the family.

Place of assessment.

64. (1) Where an assessee carries on business at any place, he shall be assessed by the Income-tax Officer of the area in which that place is situate or, where the business is carried on in more places than one, by the Income-tax Officer of the area in which his principal place of business is situate.

(2) In all other cases an assessee shall be assessed by the Income-tax Officer of the area in which he resides.

(3) Where any question arises under this section as to the place of assessment, such question shall be determined by the Commissioner, or, where the question is between places in more provinces than one, by the Commissioners concerned, or, if they are not in agreement, by the Board of Inland Revenue :

Provided that, before any such question is determined, the assessee shall have had an opportunity of representing his views.

(4) Notwithstanding anything contained in this section, every Income-tax Officer shall have all the powers conferred by or under this Act on an Income-tax Officer in respect of any income, profits or gains accruing, or arising or received within the area for which he is appointed.

Indemnity.

65. Every person deducting, retaining or paying any tax in pursuance of this Act in respect of income belonging to another person is hereby indemnified for the deduction, retention or payment thereof.

Statement of case by Commissioner to High Court.

66. (*1*) If, in the course of any assessment under this Act or any proceeding in connection therewith other than a proceeding under Chapter VIII, a question of law arises, the Commissioner may, either on his own motion or on reference from any Income-tax authority subordinate to him, draw up a statement of the case and refer it with his own opinion thereon to the High Court.

(*2*) Within one month of the passing of an order under section 31 or section 32, the assessee in respect of whom the order was passed may, by application accompanied by a fee of one hundred rupees or such lesser sum as may be prescribed, require the Commissioner to refer to the High Court any question of law arising out of such order, and the Commissioner shall, within one month of the receipt of such application, draw up a statement of the case and refer it with his own opinion thereon to the High Court :

Provided that, if, in exercise of his power of review under section 33, the Commissioner decides the question, the assessee may withdraw his application, and if he does so, the fee paid shall be refunded.

(*3*) If, on any application being made under sub-section (*2*), the Commissioner refuses to state the case on the ground that no question of law arises, the assessee may apply to the High Court, and the High Court, if it is not satisfied of the correctness of the Commissioner's decision, may require the Commissioner to state the case and to refer it, and, on receipt of any such requisition, the Commissioner shall state and refer the case accordingly.

(*4*) If the High Court is not satisfied that the statements in a case referred under this section are sufficient to enable it to determine the question raised thereby, the Court may refer the case back to the Commissioner by whom it was stated to make such additions thereto or alterations therein as the Court may direct in that behalf.

(5) The High Court upon the hearing of any such case shall decide the questions of law raised thereby, and shall deliver its judgment thereon containing the grounds on which such decision is founded, and shall send to the Commissioner by whom the case was stated a copy of such judgment under the seal of the Court and the signature of the Registrar, and the Commissioner shall dispose of the case accordingly, or, if the case arose on a reference from any Income-tax authority subordinate to him, shall forward a copy of such judgment to such authority who shall dispose of the case conformably to such judgment.

(6) Where a reference is made to the High Court on the application of an assessee, the costs shall be in the discretion of the Court.

(7) Notwithstanding that a reference has been made under this section to the High Court, income-tax shall be payable in accordance with the assessment made in the case:

Provided that, if the amount of an assessment is reduced as a result of such reference, the amount overpaid shall be refunded with such interest as the Commissioner may allow.

Bar of suits in Civil Court.

67. No suit shall be brought in any Civil Court to set aside or modify any assessment made under this Act, and no prosecution, suit or other proceeding shall lie against any Government officer for anything in good faith done or intended to be done under this Act.

Repeals.

68. The enactments mentioned in the Schedule are hereby repealed to the extent specified in the fourth column thereof:

Provided that such repeal shall not affect the liability of any person to pay any sum due from him or any existing right of refund under any of the said enactments:

Provided, further, that the provisions of section 19 of the Indian Income-tax Act, 1918, shall apply, so far as may be, to all assessments made under that Act in the year ending on the 31st day of March, 1922, and where an adjustment shall be made under the provisions of section 19 of the said Act, the provisions of this Act

VII of 1918.

regarding the procedure for the assessment and recovery of income-tax shall apply as if such adjustment were an assessment made under this Act.

THE SCHEDULE.

ENACTMENTS REPEALED.

(*See section 68.*)

1	2	3	4
Year.	No.	Short title.	Extent of repeal.
1918.	VII	The Indian Income-tax Act, 1918.	The whole.
1919.	IV	The Indian Income-tax (Amendment) Act, 1919.	The whole.
"	XVIII	The Repealing and Amending Act, 1919.	So much of the First Schedule as relates to the Indian Income-tax Act, 1918.
1920.	XVII	The Indian Income-tax (Amendment) Act, 1920.	The whole.
"	XIX	The Super-tax Act, 1920.	The whole.
"	XXXI	The Repealing and Amending Act, 1920.	So much of the First Schedule as relates to the Super-tax Act, 1920.
"	XLIV	The Indian-Income-tax (Amendment No. 2) Act, 1920.	The whole.

APPENDIX G-6

RATIO OF MINIMUM SUBSCRIPTION TO AUTHORIZED CAPITAL OF JOINT STOCK COMPANIES.

No. C-1231.

Revenue Department,
Bombay,
24th February 1921.

The Secretary, Chamber of Commerce,
Bombay.

Subject.—Proposal to fix a ration of the minimum subscription to the authorized capital of a joint stock company.

Sir,—I am directed to forward a copy of Government Order No. 446 of 16th February, 1921 and to request that Government may be favoured at an early date with the opinion of your Chamber on the subject.

2. In this connection I am to invite reference to Government letter No. 1198-A. dated 14th April 1920 and your reply to it. I have etc.

SHAMRAO D. MANKAR.
Under Secretary to the Government of Bombay.

GOVERNMENT OF BOMBAY.
REVENUE DEPARTMENT.
Order No. 446.

Secretariat, Fort, Bombay.
Dated the 16th February 1921.

Letter from the Government of India, Department of Commerce, No. 141 dated 6th January 1921 :—

"I am directed to refer to the correspondence ending with your letter No. G.—105 dated the 23rd August 1920, communicating the views of the Local Government and of the commercial bodies and others who were con-

sulted, on the question of imposing an *ad valorem* duty of ½ per cent. on the nominal capital of all companies registered under the Indian Companies Act, 1913.

"2. The replies which have been received to this Department's letter No. 2112-D. dated the 10th March 1920, indicate a considerable diversity of opinion. On the one hand, it is considered that the proposed duty would not be sufficient to deter the flotation of unsound or bogus companies, or even to check appreciably the inflation of nominal capital. On the other hand, it is represented that it would discourage the growth of the investment habit which has not yet taken firm root in India, and would hamper legitimate enterprise. These views are to some extent mutually destructive. But since opinion as to its efficacy is so divided, the Government of India have decided not to proceed with the proposal.

"3. At the same time, the Government of India are impressed with the need for taking action, if this is practically possible, to check the excessive inflation of nominal capital for 'window-dressing' purposes. The figures given by the Government of Bengal for the years 1918-19 and 1919-20 show that the total nominal capital of companies in the Bengal Presidency increased by 87 per cent., while the paid-up capital increased by only 17·7 per cent. A suggestion has been received that the law should be amended so as to provide that the minimum subscription on which the directors may proceed to allotment and the company commence business, should bear a reasonable proportion to the amount of the authorised capital. As the law now stands, section 93 (1) (*d*) of the Indian Companies Act requires that the prospectus of a company should state the minimum subscription on which the directors may proceed to allotment. The ratio of the minimum subscription to the authorised capital should, for the intelligent reader, be a fair indication of the *bona fides* of the flotation. And in the United Kingdom, where the law is the same, this is regarded as an adequate safeguard. But conditions are different in the United Kingdom where there is a powerful financial press and commercial intelligence generally is more highly developed. In India, it seems doubtful whether the provisions of section 93 (1) (*d*) of the Indian Companies Act are sufficient to protect the more ignorant investor. The Government of India, therefore, are inclined to think that the law

might advantageously be amended in the manner suggested. It should be stated that there is precedent for such an amendment in other parts of the Empire. Section 21 of the Victorian Companies Act of 1896 provides that no company shall commence business until one-third of the shares has been subscribed and one-fourth of the subscribed capital paid up. Again, under section 26 of the Canadian Companies Act of 1906, business cannot be commenced under penalty of liability of the directors to the creditors until 10 per cent. of the capital has been subscribed and paid up.

"4. I am now to request that the Goverement of Bombay, after consulting such commercial or other bodies, as may be thought desirable, will favour the Government of India with an expression of their views on the proposal to amend the Indian Companies Act in the manner suggested. In particular, the Government of India would be glad of an opinion on the following points:—

(1) Should the Indian Companies Act require that a minimum percentage of the authorised capital should be *subscribed* before allotment is permitted?

(2) Should the Indian Companies Act require that a minimum percentage of the authorised capital should be *paid up* before allotment is permitted?

(3) If so, what should the minimum percentages be?"

ORDER.—Copies of the letter from the Government of India should be forwarded to the Chambers of Commerce, Bombay and Karachi; the Bombay Millowners' Association; the Indian Merchants' Chamber and Bureau; the Bombay Presidency Trades' Association; the Bombay Underwriters' Association; and the Chairman, Associated Exchange Banks, Bombay; with a request that they will favour Government with their opinions on the subject.

2. Copies of the letter should also be forwarded for favour of opinion to the Commissioner in Sind, the Commissioners of Divisions, and the Registrar of

Companies. The Commissioners should be requested to consult such select officers, businessmen or private bodies in their Divisions as they may think fit.

By order of the Governor in Council,
SHAMRAO D. MANKAR,.
Under Secretary to Government.

No. 621-108

Chamber of Commerce,
Bombay, 19th March 1921.

The Under Secretary to the Government of Bombay,
Revenue Department,
Bombay.

Sir,—I am directed to acknowledge receipt of your letter, No. C-1231, dated the 24th February 1921, and its accompaniments, on the subject of a proposal to fix a ratio of the minimum subscription to the authorized capital of a Joint Stock Company.

In reply I am to state that my Committee are of opinion that legislation of the nature proposed is likely to present very great difficulties as so much depends on the nature of the business in course of flotation. They desire, however, strongly to recommend that the present Act should be so amended as to require that the minimum subscription on which the Directors of a Joint Stock Company may proceed to allotment shall be not less than fifty per cent of the nominal or authorized capital.

My Committee are further of opinion that the Act should provide that not less than a quarter of the subscribed capital should be paid up within a year after the flotation of the Company.—I have etc.,

C. B. SAYER,
Secretary.

APPENDIX H-1.

THE INDIAN FACTORIES ACT.

No. 5709.

General Department,
Bombay, 5th May 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed by the Governor in Council to forward herewith a copy of this Government Order No. 5708, dated the 5th May 1921, and accompaniment* regarding a draft Bill further to amend the Indian Factories Act, 1911, and to request that you will be so good as to favour Government with the opinion of your Chamber not later than the 5th June 1921 on the provisions of the Bill in the light of the observations made by the Government of India in their letter cited in the Government Order.—I have etc.

S. N. ZIMAN,
Deputy Secretary to the
Government of Bombay.

Order No. 5708.

Government of Bombay,
General Department,
5th May 1921.

Letter from the Government of India (Department of Industries) No. L.—943, dated the 5th April 1921:—

"I am directed to enclose for the information of His Excellency the Governor in Council copies of the reports of the debates in the Legislative Assembly and the Council of State on the Resolutions relating to the Conventions and Recommendations adopted at the Washington meeting of the International Labour Conference, and a copy of the Bill to amend the Indian Factories Act which was introduced in the Legislative Assembly by the Hon'ble Sir Thomas Holland on 1st March 1921 together with the statement of objects and

* Not printed.

reasons. In this connection I am directed to address you on the subject of the factory inspection staff.

"2. It will be observed that in its main lines the Bill follows the Resolutions that were adopted in the two houses of the Indian Legislature. One of the chief provisions embodied in the Bill is to extend the definition of a factory to all establishments using power and employing twenty persons or more. Local Governments, it is proposed, will have further the power to extend the definition to any or all establishments employing ten persons or more irrespective of the fact whether they use power or not. Other provisions in the Bill, *e. g.*, the deleting of the general exemption now enjoyed by factories in tea and indigo estates, the repeal of the present schedules and enunciation in their stead of principles in accordance with which local Governments will be authorised to grant general or special exemptions from the provisions of the Act, the liability of all factories to maintain complete registers of the hours of work of all employés, the strengthening of the provisions relating to safety, etc., will also entail much heavier work on the inspection staff than is imposed by the present law.

"3. It is, therefore, scarcely necessary to point out that, if the proposals made in the Bill receive the approval of the Legislature, a considerable increase in the factory inspection staff will be required in most provinces. There has been in recent years an appreciable growth in the number of factories that come under the existing Factories Act and the work of the inspecting staff has increased correspondingly. The Government of India are aware that local Governments are anxious to maintain a high standard of administration in this respect and that proposals are under consideration in several provinces for an augmentation of the staff. It is desirable that in coming to a decision on this question local Governments will bear in mind the increased demands on the inspecting staff that the revised Act will entail.

"4. Under the present Act all District Magistrates are *ex-officio* factory inspectors. In the larger provinces the administration of the Act falls chiefly upon whole-time inspectors, but some provinces share the services of whole-time inspectors while in others no whole-time factory inspector has been appointed. The Government of India recognise that it is not possible for the smaller administrations to employ even one whole-time factory inspector under present conditions. But they are strongly

of opinion that no province should continue to depend entirely on *ex-officio* inspectors and that in all the Governors' provinces there should be at least one whole-time factory inspector serving that Government alone.

"5. It is proposed to retain the provision by which all District Magistrates are *ex-officio* factory inspectors. It is of course impossible for a District Magistrate who has other and more important duties to devote much time to factory inspection. At the same time the Government of India suggest that the attention of District Magistrates be directed to their powers and their duties in this respect. The new Bill, if passed, will have the effect of including a large number of small factories situated away from the main lines of communication. In many of these small factories an occasional surprise visit by the District Magistrate should be of considerable assistance to the regular staff in indicating abuses which cannot be detected during an inspection from headquarters. In this connection the local Government will doubtless consider the advisability of a close *liaison* between District Magistrates and whole-time inspectors. Without the close co-operation of the District Magistrates it will not be possible for the factory inspection staff to administer the Act effectively or even to discover all the existing factories.

"6. As regards the *personnel* of the factory inspection staff it is probable that improvements can be effected in most provinces. Such local Governments as have made endeavours to recruit factory inspectors in this country have found the task far from easy. The Government of India have no doubt that local Governments will continue to make efforts to obtain factory inspectors by direct recruitment in India, and wherever possible of Indians, and, with the growing interest in technical education and in mechanical science, the removal of the present difficulties should be rapid. Also with the increase in the number of Indian-owned and Indian-managed factories, some of the existing difficulties in the employment of an indigenous staff will disappear. In the meantime I am to suggest that the appointment of assistant inspectors or sub-inspectors may prove to be one solution of the difficulty. In should be possible to recruit young men with some technical qualifications who would commence work on lower rates of pay than those hitherto given to factory inspectors. These assistant inspectors could work under the direct super-

vision of trained inspectors, and they should be able, by profiting from the instructions of the inspectors and from their own experience, to qualify themselves for appointment as full inspectors. A similar expedient had been adopted in the United Kingdom in the earlier stages of the history of factory inspection there. An assistant inspector need not have to start with all the powers conferred by law upon an inspector. Under section 4 (*4*) of the Act the Local Government may appoint additional inspectors for all or any of the purposes of the Act within defined local limits. The assistant inspector could at the beginning be invested with powers under clauses (*a*) and (*b*) of section 5 and gradually with such other powers as the local Government might consider suitable in each particular case. He could also under executive orders be directed to limit his inspection to such factories as might be determined upon by the inspector or the chief inspector.

"7. The possibility of utilising the boiler inspection staff for factory inspection has already been considered by some Governments, and in more than one province the boiler inspection and factory inspection staffs have been co-ordinated. The Government of India recognise that close co-operation between boiler inspectors and factory inspectors is valuable and that boiler inspectors may be able, if empowered as factory inspectors, to supplement the work of the latter without detriment to their own duties. At the same time, co-ordination can be carried to a stage where it may result in a serious loss of efficiency. Boiler inspectors must give notice of their visits beforehand and the factory has to stop working altogether or in part when they appear. Factory inspectors, on the other hand, must see the factory working, and if these inspectors are to be of any value, they must make frequent surprise visits. The Government of India therefore incline to the belief that the two staffs should not be combined into a joint staff performing both duties, unless a sufficient margin is available for surprise inspections in all cases.

"8. In connection with the general question of the supervision of conditions in factories, I am to invite the attention of the local Government to the draft Recommendation passed by the International Labour Conference at Washington in 1919 concerning the establishment of Government Health Services. (See paragraph 16 of Board of Industries and Munitions letter No. I-812*,

*Not printed.

dated 11th May 1920, and Appendix II to that letter, page 13). In one of the Resolutions passed by the two houses of the Indian Legislature the Government of India have been asked to examine the possibility of giving effect to this reommendation. As stated in the letter referred to, the Government of India believe that this recommendation was intended by the Conference to be strictly limited in its application. At the same time the debate in the Legislative Assembly disclosed the existence of a considerable body of opinion in favour of further measures for safeguarding the health of Industrial workers generally and I am to draw the attention of the local Government to the statement made by the Hon'ble Sir Thomas Holland in the course of his speech on Mr. Joshi's amendment to this Resolution, at page 6 of the Official Report of the Legislative Assembly Debates I am to request that the suggestions made in the debate may receive the consideration of the local Government and that the Government of India may be favoured with their opinion. The Government of India believe that local Governments fully recognise the necessity of maintaining the system of factory inspection in a high state of efficiency. The question of establishing a Government Health Service is by no means simple. The Government of India are inclined to the view that the establishment of a large service on a scale adequate enough to ensure full protection to the health of all factory workers is scarcely practicable at present, but they think that certain steps could be taken at once in this direction. In particular, they recommend that, in the chief industrial areas, an endeavour be made to secure the services of medical women who might be given the powers of an inspector and who would be specially charged with the duty of safeguarding the health of women and children.

"9. I am also to suggest that the local Government should employ whole-time medical officers wherever this is possible. At the present time whole-time certifying surgeons have been appointed only in Calcutta and Bombay. Elsewhere the work falls on civil surgeons and other medical officers who have many other duties to perform and have comparatively little time to devote to this work. They are not usually empowered as Inspectors of Factories, and in any case in large industrial centres, a civil surgeon, however energetic he may be, is quite unable to devote to certification and supervision of child labour the attention that is necessary to prevent even the graver abuses. The

Government of India believe that the appointment of whole-time medical officers who, in addition to being certifying surgeons, might be invested with some of the powers of inspectors of factories, would give a measure of protection to children that cannot be secured by any other means. These officers might be made responsible for the health of the workers generally, and for the maintenance of sanitary conditions in factories. They would thus form a nucleus on which a Health service could be built up in the future.

"10. I am to request that with the permission of his Excellency the Governor the views and decisions of the local Government may be communicated to the Government of India by the 1st July next."

ORDER—Copies of the letter from the Government of India and accompaniment * should be forwarded to the Hon'ble the Chief Justice and Judges of His Majesty's Court of Judicature, Bombay; the Commissioner in Sind; the Commissioners of Divisions; the Collector of Bombay; the Director of Industries; the Remembrancer of Legal Affairs; the Millowners' Associations, Bombay and Ahmedabad; the Indian Merchants' Chamber and Bureau, Bombay, the European Textile Association; the Chambers of Commerce, Bombay and Karachi; the Social Service League and the Kamgar Hitwardhak Sabha and they should be requested to favour Government with their opinions on the provisions of the Bill in the light of the observations made by the Government of India in their letter. They should be requested to send their replies not later than the 5th June 1921.

2 The Manager, Government Central Press, should be requested to print the Bill with the Statement of Objects and Reasons in the *Bombay Government Gazette*. The Oriental Translator to Government should be requested to have them translated into Marathi, Gujarati and Kanarese and forward the translations to the Manager, Government Central Press, for publication in the *Gazette*. The Commissioner in Sind should be requested to print the Bill and the Statement of Objects and Reasons in the *Sind Official Gazette*.

By order of the Governor in Council,

S. N. ZIMAN,

Deputy Secretary to Government.

* The draft Bill only.

No. 1172-175

Chamber of Commerce,
Bombay, 9th June 1921

The Deputy Secretary to Government,
General Department, Bombay.

Sir,—I have the honour to acknowledge receipt of your letter No. 5709 dated 5th May 1921, which was not however received in this office till the 12th May, forwarding for opinion a draft Bill further to amend the Indian Factories Act, 1911.

In reply I am to state that the various provisions of the draft Bill have been carefully considered by my Committee who desire me to submit the following criticisms thereon :—

Clause 4 & 5: My Committee are of opinion that Sections 7 & 8 of the existing Act should be further amended so as to make it obligatory on the Certifying Surgeon to attend at factories at certain periods for the purpose of examining children and granting certificates instead of, as is the practice at present, children being compelled to go to the office of the certifying surgeon which is, at any rate in Bombay, a great distance from the residence of some of the children.

Clause 12: The wording of the proposed new Section 21 (1) *(a)*, *(b)* and (2) is, in the opinion of my Committee, ambiguous and should be made more clear.

Clause 13: My Committee are opposed to the compulsory stoppage of factories on all Sundays and consider that the procedure laid down in Section 22 of the existing Act for fixing the weekly holiday should not be altered.

Clause 17: My Committee are of opinion that the exemptions detailed under the new Section (30) (1) *(a) to (e)* should be so amended as to include the working of overtime of an urgent nature in engineering works.

Clause 20: My Committee feel that the new Section 46 will not be workable in practice, particularly in textile factories as it is the custom for the children of operatives to bring their parents' food to the mills, and it would be difficult if not impossible, to keep such children out of the mill compound. Section 46 of the

existing Act is, in the opinion of my Committee, a sufficient safeguard against the employment of under-aged and uncertificated children.—I have etc.

H. ROYAL,
for Secretary.

No. 1986-175

Chamber of Commerce,
Bombay 29th October 1921.

The Secretary, Bengal Chamber of Commerce,
Calcutta.

Dear Sir,—I am directed to invite the attention of your Committee to the provisions of the Report of the Joint Committee on the Bill further to amend the Indian Factories Act, 1911, which was presented to the Legislative Assembly on the 26th September 1921.

2. Although my Committee have observed that the Joint Committee have effected many important changes in the Bill as originally introduced they can find no trace in Clause 18 of the Bill, as amended by the Joint Committee, of an important amendment which they suggested when the Bill was submitted to them by the Local Government for their views in June last.

3. The alteration which my Committee suggested was that the exemptions detailed in Clause 17 (now Clause 18) should be so amended as to include the working of overtime of an urgent nature in engineering works. My Committee were led to make the suggestion for the reason that they regarded it as very essential that repair work in mills or, more particularly, upon steamers should be carried on continuously until the repairs were completed on account of the heavy loss which the owners would incur if the mill were stopped or the steamer unable to sail.

4. My Committee realize that the provisions of Clause 17 have been very carefully examined by the Joint Committee and that the point has been met to a slight extent by the introduction of the new Sub-Section (3) but only so far as the provisions of the Bill relating to periodical rests and weekly holidays are concerned. Repair work of the nature described is, it is true, partly of an intermittent nature, e.g. in the case of coolies employed on boats in Dry Dock and my Committee's

point may possibly be covered by Sub-Section (1) (b) but they will be grateful if your Committee will be good enough to favour them with their views on the question at their early convenience.

5. I am to add that at first sight it would appear that an 11 hour working day was sufficient, but my Committee are advised that the workpeople employed in engineering works are not likely to suffer in any way by the proposed change and indeed in many cases regard money received for such work as part of their regular wages.—Yours faithfully,

C. B. SAYER,
Secretary.

No. 2760

Bengal Chamber of Commerce,
Calcutta, 25th November 1921.

The Secretary Chamber of Commerce,
Bombay.

The Indian Factories Bill, 1921

Dear Sir,—I am directed to acknowledge the receipt of your No. 1986-175, dated 29th October 1921, with reference to this Bill.

2. The Committee have submitted your letter, together with a note by the Hon'ble Sir Alexander Murray, to the Indian Jute Mills Association, the Indian Engineering Association, and the Indian Tea Association, for information and for any comments that these bodies may wish to offer. A copy of Sir Alexander Murray's note is attached hereto for your information.—Yours faithfully,

H. M. HAYWOOD,
Secretary.

Copy of memorandum by the Hon'ble Sir Alexander Murray, C. B. E. dated on 11-11-21 the points raised in letter dated 29th October from the Bombay Chamber of Commerce —see Committee circular No. 520 dated 7th November 1921.

Under the existing Act of 1911.

Section 21 (1) provides for rest intervals, and
Section 22 (1) „ weekly holidays.

But under Sub-Sections (2) (*c*) of Section 21 and (2) of Section 22, it is provided that nothing in sub-

section (1) of these sections shall apply to "work on urgent repairs executed in railway or tramway workshops or running sheds or in engineering works or ship repairing work".

Under the proposed Act of 1922.

Section 21 provides for rest intervals, and
Section 22 „ weekly holidays,

and under section 30 (3) it is provided that "nothing in section 21 or section 23 shall apply to work of urgent repairs executed in any factory in such circumstances as may be prescribed".

The new Act, therefore, provides for rules being framed to cover work on urgent repairs so far as rest intervals and holidays are concerned. But it contains no corresponding provision regarding the limit of hours of work.

Under the existing Act of 1911, there is no limitation on the hours of work of adult males except under section 28 which provides that "no person shall be employed in any *textile factory,* for more than 12 hours in any one day".

And under section 30 (1) (*c*) it is provided that "nothing in section 28 or section 29 shall apply to any work specified in "Part 2 of Schedule I",—that is, "work of an urgent nature or such as in the interests of efficiency is commonly performed while the main manufacturing process of the factory is discontinued".

This same exemption of work specified in Part A of Schedule I—i.e. work of an urgent nature &c., appears in the Act of 1911:

sub-section (2) (*d*) of section 21 *re* rest intervals, and
„ (3) „ 22 „ holidays.

So that in the case of textile factories work of an urgent nature &c. under the existing Act is exempted as regards rest intervals, holidays, and hours of work,—whereas in the case of other Factories or workshops such work is expressly exempted as regards rest intervals and holidays only, for the reason that the hours of work section (23) does not apply to any factories except textile ones.

Under the proposed Act of 1922.

Section 30 (1) (a) gives the Local Government power to exempt "any class of work in a factory in the nature of preparatory or complementary work which must

necessarily be carried on outside the limits laid down for the general working of the Factory" from the provisions 27 & 28, i.e. 60 hour week and the 11 hour day. The wording of this exemption is taken from Article 6 of the Draft Convention limiting the hours of work in industrial undertakings in other countries to 8 in the day, and 48 in the week. It is understood that the rules to be made by Government will cover work of the nature specified in Part A of Schedule I of the existing Act, in which event all factories and workshops will be effectively covered so far as work of an urgent nature &c. in *their own* mechanic shops, smithies, foundries, boiler-houses, engine-rooms, power-houses &c. is concerned; but only *in re* the 60 hour week and the 11 hour day. The new sub-section (3) of section 30 was inserted to cover work of urgent repairs *in re* rest intervals and holidays.

The proposed Act of 1922 as it now stands appears to cover all work of an urgent nature &c. in connection with the running of factories and workshops whose own machinery and plant break down, but it does not appear to wholly cover work of an urgent nature requiring to be done in Engineering Works or ship-repairing works in order to get somebody else's machinery and plant or ships quickly repaired and set going again. Under sub-section (3) of section 30 such works will be protected *in re* rest intervals and holidays but not where the limitation of working hours to an 11 hours day is concerned.

Article 3 of the Draft Convention above referred to provides that the limit of hours of work may be exceeded in case of accidents &c. and section 31 of the proposed Act of 1922 provides for payment of overtime to persons employed for more than 60 hours in any one week.

In all the circumstances it looks as if an amendment should be proposed providing for the inclusion of sections 27 & 28 along with sections 21 and 22 in sub-clause (3) of clause 30 of the Bill now before the Legislature.

No. 2313-175.

Chamber of Commerce,
Bombay, 29th December 1921

The Hon'ble Mr. A. H. Froom,

Bombay,

Dear Sir—I am direct to invite your attention to the report of the Joint Committee of the Indian Legislatures on the Bill further to amend the Indian Factories Act,

1911, which was presented to the Council of State on the 29th September 1921 and reprinted in the Gazette of India, part v, dated the 1st October 1921.

2. In the above connection I am to forward herewith for your information the enclosed copy of a letter which my Committee addressed recently to the Bengal Chamber with regard to the provisions of Clause 18 of the Bill as amended by the Joint Committee.

3. I am also to enclose a copy of a letter and its accompaniment which my Committee have received from the Bengal Chamber in reply to their letter from which you will observe that that Chamber is provisionally in agreement with the point raised by my Committee.

4. In the circumstances, my Committee will be glad if, in consultation with the Bengal Chamber's representative on the Council of State, you will be good enough to arrange for an amendment of the nature suggested by Sir Alexander Murray in the accompaniment to the Bengal Chamber's letter, to be moved in Council.—Yours faithfully,

C. B. SAYER,
Secretary.

7, Metcalfe House, Delhi,
27th January 1922.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—With reference to your letter No. 2313-175 of the 29th ultimo, I have to advise that the Bill to amend the Indian Factories Act 1911, as passed in the Legislative Assembly, also was passed in the Council of State on the 23rd instant.

First as regards the points raised in the Bombay Chamber's letter to the Bengal Chamber of Commerce dated the 29th October 1921, it will be seen from clause 18 of the Bill that Government accepted the suggestion that sections 27 and 28 should be included along with sections 21 and 22 in sub-clause 3 of section 30 of the new Act thereby providing for work upon urgent repairs being exempted, under such circumstances and subject to such conditions as may be prescribed, from the 60 hour week and the 11 hour day as well as from rest periods and holidays.

In accordance with the minute of dissent signed by the employers' representatives on the Joint Committee that considered the Bill, Sir Vithaldas Thackersey moved an amendment to delete clause 2 (a) of the Bill which raises the upper age of children from 14 to 15. This however was defeated.

Sir Vithaldas also moved other amendments with a view to get a proper definition of the "precincts" and "Court precincts" of a factory on the lines of the English Act. Unfortunately he was unable to carry these except as regards clause 28 of the Bill which provided for a new section 46 being inserted in the Act in substitution for the old section 46. On Sir Vithaldas carrying this amendment by a majority Mr. Innes rose and said he would prefer the deletion entirely of the new section as amended and the retention of the old section 46 of the existing Act. This was promptly accepted by Sir Vithaldas with the result that section 46 now reads as of old viz :—

"If a child over the age of six years is found in any factory or within the precincts thereof he shall until the contrary is proved, be deemed to be employed in the factory."

Mr. Seshagiri Ayyar endeavoured to obtain a postponement of the consideration of the Bill on the grounds that Mr. Joshi had not yet arrived in Delhi. Mr. Innes however objected with the result that consideration of the Bill went on in the absence of Mr. Joshi. None of the points raised in his minute of dissent attached to the report of the Joint Committee were taken into consideration.

In spite of the fact that the age limit of children has been raised from 9-14 to 12-15 the Employers' representatives are quite satisfied with the Bill as it has emerged.

For your information I send you a copy of the Bill with the Report of the Joint Committee attached, and also a copy of the Bill as passed by both the Legislative Assembly and the Council of State.—Yours faithfully,

A. H. FROOM.

Extract from the Gazette of India, Part IV, pp. 5—9, dated the 28th January 1922.

The following Act of the Indian Legislature received the assent of the Governor General on the 25th January, 1922.

Act No. 11 of 1922.

An Act further to amend the Indian Factories Act, 1911.

Whereas it is expedient further to amend the Indian Factories Act, 1911 ; It is hereby enacted as follows:—

XII of 1911.

1. (1) This Act may be called the Indian Factories (Amendment) Act, 1922.

Short title, extent and commencement.

(2) It extends to the whole of British India, including British Baluchistan and the Sonthal Parganas.

(3) It shall come into force on the first day of July, 1922.

2. In section 2 of the Indian Factories Act, 1911 (hereinafter referred to as the said Act),— XII of 1911

Amendment of section 2, Act XII of 1911.

(a) in clause (1) for the word "fourteen" the word "fifteen" shall be substituted;

(b) for clause (3) the following clause shall be substituted, namely:—

"(3) 'factory' means—

(a) any premises wherein, or within the precincts of which, on any one day in the year not less than twenty persons are simultaneously employed and steam, water or other mechanical power or electrical power is used in aid of any process for, or incidental to, making, altering, repairing, ornamenting, finishing or otherwise adapting for use, for transport or for sale any article or part of an article; or

(b) any premises wherein, or within, the precincts of which, on any one day in the year not less than ten persons are simultaneously employed and any such process is carried on, whether any such power is used in aid thereof or not which have been declared by the Local Government, by notification in the local official Gazette to be a factory;

A declaration under clause (b) may be made in respect of any class of premises, or in respect of any particular premises";

(c) for clauses (8) and (9), the following clause shall be substituted, namely:—

"(8) 'week' means the period between midnight on Saturday night and midnight on the succeeding Saturday night."

3. For section 3 of the said Act, the following section shall be substituted, namely :—

Substitution of new section for section 3, Act XII of 1911.

"3. Nothing in this Act shall apply to any mine subject to the operation of the Indian Mines Act, 1901."

VIII of 1901. Application of Act.

4. In section 7 of the said Act, for sub-section (2), the following sub-sections shall be substituted, namely :—

Amendment of section 7, Act XII of 1911.

"(2) A certifying surgeon may revoke any certificate granted to a child under sub-section (1) if, in his opinion, the child is no longer fit for employment in a factory.

(3) Where a certifying surgeon refuses to certify that a person is fit for employment in a factory or revokes a certificate granted to a child in this behalf, he shall, if required by such person or child, or by the parent or guardian of such person or child, or by the manager of the factory in which such person or child desires to be employed, state in writing his reasons for such a refusal or revocation."

5. In section 8 of the said Act,—

Amendment of section 8, Act XII of 1911.

(a) for the words "any person practising medicine or surgery," the words "any registered practitioner" shall be substituted;

(b) in the proviso for the words "after the first date" to the end of the section, the words "for a period of more than three months" shall be substituted;

(c) after the proviso, the following *Explanation* shall be added, namely :—

"*Explanation.*—In this section the expression 'registered practitioner' means any person registered under the Medical Act, 1858, or any Act amending the same or under any Act of any Legislature in British India providing for the maintenance of a register of medical practitioners, and includes, in any area where no such last-mentioned Act is in force, any person declared by the Local Government, by notification in the local official Gazette, to be a registered practitioner for the purposes of this section."

21 & 22 Vict., C. 90.

Insertion of new section 8A in Act XII of 1911.

6. After section 8 in Chapter II of the said Act, the following section shall be inserted, namely :—

Compulsory medical examination.

"8A. Where an Inspector is of opinion that a child employed in a factory is no longer fit for employment, he may serve on the manager of the factory a notice requiring that such child shall cease to be employed until he has been re-examined by a certifying surgeon or by a registered practitioner authorised by a certifying surgeon in this behalf."

Amendment of section 9, Act XII of 1911.

7. To section 9 of the said Act, the following clause shall be added, namely :—

"(*d*) the atmosphere shall not be rendered so humid by artificial means as to be injurious to the health of the persons employed therein."

Amendment of section 18, Act XII of 1911.

8. In clause (*c*) of sub-section (*1*) of section 18 of the Act, after the word "machinery," the words "and electrical fittings including live wires and switches" shall be inserted.

Insertion of new section 18A in Act XII of 1911.

9. After section 18 of the said Act, the following section shall be inserted, namely :—

Repairs to buildings or machinery.

"18A. (*1*) If an Inspector is of opinion—

(*a*) that any factory or part thereof is in such a condition as to be dangerous to human life or safety, or

(*b*) that any part of the ways, works, machinery or plant used in a factory is in such a condition that it cannot be used without danger to human life, or safety,

he may serve on the manager of the factory an order in writing, specifying the measures which he considers necessary for removing the danger, and requiring him to carry them out before such date as may be specified therein.

(*2*) If, in the opinion of the Inspector, the use of any part of the ways, works, machinery or plant in a factory involves imminent danger to human life, he may serve on the manager of the factory an order in writing prohibiting the use thereof until it is duly repaired or altered."

10. After section 19 of the said Act, the following sections shall be inserted, namely:—

Insertions of new sections 19A and 19B in Act XII of 1911.

"19A. Where, in the opinion of the Inspector, the presence in any factory or any part thereof of children, who, by reason of their age, cannot, under the provisions of this Act, be lawfully employed therein, involves danger to, or injury to the health of, such children, he may serve on the manager of such factory an order in writing prohibiting the admission of such children to the factory or part thereof.

Power to prohibit presence of children in factories.

19B. No person under the age of eighteen years and no woman shall be employed in any factory in any of the operations specified in Part I of the Schedule, or, save in accordance with the regulations contained in Part II of the Schedule, in any operation involving the use of lead compounds."

Prohibition of employment of women and persons under eighteen years in certain processes.

11. In the proviso to section 20 of the said Act, after the word "roof," the words "or to such height as the Inspectors may, in any particular case, specify" shall be inserted.

Amendment of section 20, Act XII of 1911.

12. For section 21 of the said Act, the following section shall be substituted, namely :—

Substitution of new section for section 21, Act XII of 1911.

"21. (1) In every factory there shall be fixed,—

Rest periods in factories.

(*a*) for each person employed on each working day—

(*i*) at intervals not exceeding six hours, periods of rest of not less than one hour, or

(*ii*) at the request of the employees concerned periods of rest of not less than half an hour each so arranged that, for each period of six hours work done, there shall be periods of rest of not less than one hour's duration in

all, and that no person shall work for more than five hours continuously, and

(*b*) for each child working more than five and a half hours in any day, a period of rest of not less than half an hour.

(*2*) The period of rest under clause (*b*) shall be so fixed that no such child shall be required to work continuously for more than four hours."

Amendment of section 22, Act XII of 1911.

13. To clause (*b*) of sub-section (*1*) of section 22 of the said Act, the following proviso shall be added, namely :—

"Provided that no such substitution shall be made as will result in any person working for more than ten consecutive days without a holiday for a whole day."

Amendment of section 23, Act XII of 1911.

14. (*1*) In clause (*a*) of section 23 of the said Act, for the word "nine" the word "twelve" shall be substituted.

(*2*) In clause (*c*) of section 23 of the said Act, for the word "seven," the word "six" shall be substituted.

(*3*) The provisions of clause *(a)* of section 23 of the said Act, as hereby amended, shall not apply to any child lawfully employed in a factory on or before the first day of July, 1921.

Amendment of section 25, Act XII of 1911.

15. In section 25 of the said Act, after the word "child," the words "or, save in such circumstances as may be prescribed, any other person" shall be inserted.

Amendment of section 26, Act XII of 1911.

16. In section 26 of the said Act, for the words "woman or child" and the words "woman and child," the word "person" shall be substituted.

Substitution of new sections for section 27, Act XII of 1911.

17. For section 27 of the said Act, the following sections shall be substituted, namely :—

Limitation of working hours per week.

"27. No person shall be employed in a factory for more than sixty hours in any one week.

Limitation of working hours per day.

28. No person shall be employed in any factory for more than eleven hours in any one day."

18. For Chapter V of the said Act, the following Chapter shall be substituted, namely :—

Substitution of new Chapter for Chapter V, Act XII of 1911.

"CHAPTER V.

EXCEPTIONS.

29. Nothing in any of the following sections, namely, 21, 22, 24, 26, 27, and 28, shall apply to persons who may, by rules made by the Local Government under this Act, be defined to be persons holding positions of supervision or management or to persons employed in a confidential capacity.

Exceptions for persons holding positions of supervision, etc.

30. (1) Where it is proved to the satisfaction of the Local Government—

Exemptions.

(a) that any class of work in a factory is in the nature of preparatory or complementary work which must necessarily be carried on outside the limits laid down for the general working of the factory; or

(b) that the work of any class of workers is essentially intermittent; or

(c) that there is in any class of factories any work which necessitates continuous production for technical reasons; or

(d) that any class of factories supplies the public with articles of prime necessity which must be made or supplied every day; or

(e) that in any class of factories the work performed, by the exigencies of the trade or by its nature, cannot be carried on except at stated seasons or at times dependent on the irregular action of natural forces;

the Local Government may, subject to the control of the Governor General in Council, by notification in the local official Gazette, exempt on such conditions, if any, as it may impose—

in case (a) such class of work from all or any of the provisions of sections 27 and 28;

in case (b) work of the nature described from all or any of the provisions of sections 22, 27 and 28;

in case (*c*) work of the nature described from the provisions of sections 21 and 22;

in cases (*d*) and (*e*) such class of factories from the provisions of section 22.

(*2*) The Local Government may, by general or special order, exempt for such period as may be specified in the order and on such conditions, if any, as it may impose, any factory from all or any of the provisions of sections 21, 22, 27 and 28, on the ground that such exemption is necessary in order to enable such factory to deal with an exceptional press of work.

(*3*) In such circumstances and subject to such conditions as may be prescribed, nothing in section 21, section 22, section 27 or section 28 shall apply to work on urgent repairs.

Payment for overtime.

31. Where, under the provisions of sub-section (*1*) of section 30, any factory has been exempted from the provisions of section 27, every person employed in such factory for more than sixty hours in any one week shall be paid, in respect of the overtime, at a rate which shall be at least one and a quarter times the rate at which he is normally paid.

Special exemptions for indigo, tea and coffee factories.

32. The Local Government may, subject to the control of the Governor General in Council, by notification in the local official Gazette, exempt any indigo factory or any factory situated on, and used solely for the purposes of, a tea or coffee plantation, from all or any of the provisions of sections 21 and 22, on such conditions, if any, as it may impose."

Amendment of section 33, Act XII of 1911.

19. In sub-section (*1*) of section 33 of the said Act, for clauses (*a*) and (*b*), the words "on or before the date on which the factory commences working as such" shall be substituted.

Substitution of new section for section 35, Act XII of 1911.

20. For section 35 of the said Act, the following section shall be substituted, namely:—

Register of workers.

"35. In every factory there shall be kept, in the prescribed form, a register of all the persons employed in such factory, of their hours of work and of the nature of their respective employment."

21. In section 36 of the said Act—

Amendment of section 36, Act XII of 1911.

(*a*) for clause (*b*) of sub-section (*1*), the following shall be substituted, namely :—

"(*b*) the periods of rest fixed under section 21 ";

(*b*) in clause (*d*) of sub-section (*1*), for the words "women and children, respectively, if not employed in shifts," the words "all persons employed" shall be substituted;

(*c*) after clause (*d*) of sub-section (*1*), the following shall be inserted, namely :—

"(*e*) the weekly holidays fixed under section 22."

22. In sub-section (*2*) of Section 37 of the said Act,—

Amendment of section 37, Act XII of 1911.

(*a*) in clause (*g*) after the word "ventilation," the words "and artificial humidification" shall be inserted;

(*b*) in clause (*i*) after the word "machinery," the words "and electrical fittings" shall be inserted;

(*c*) after clause (*j*), the following clause shall be inserted, namely :—

"(*jj*) the definition of 'persons' under section 29 who shall be deemed to be persons holding positions of supervision or management or persons employed in a confidential capacity."

23. After section 38 of the said Act, the following section shall be inserted, namely :—

Insertion of new section 38A in Act XII of 1911.

"38A. The Governor General in Council may make rules for the adequate disinfection of wool used in factories which may be infected with anthrax spores."

Rules for prevention of anthrax.

24. In section 39 of the said Act,—

Amendment of section 39, Act XII of 1911.

(*a*) in sub-section (*1*) for the word and figures "section 38," the words and figures "sections 38 and 38A" shall be substituted;

(*b*) in sub-section (*2*), for the words and figures "sections 37 and 38," the words and figures "sections 37, 38 and 38A" shall be substituted.

25. In section 41 of the said Act,—

Amendment of section 41, Act XII of 1911.

(*a*) in clause (*f*), for the word "machinery or boilers," the words "machinery, electrical fittings or boilers" shall be substituted;

(*b*) in clause (*g*), for the words and figures "or section 18," the words and figures "section 18, section 18A or section 19B" shall be substituted;

(*c*) for the words "two hundred," the words "five hundred" shall be substituted.

26. In section 43 of the said Act, for the words "two hundred" the words "five hundred" shall be substituted.

Amendment of section 43, Act XII of 1911.

27. After section 43 of the said Act, the following section shall be inserted, namely:—

Insertion of new section 43A in Act XII of 1911.

"43A. Where under this Act a Criminal Court imposes a fine or confirms in appeal, revision or otherwise, a sentence of fine in respect of an offence causing bodily injury or death, the Court may, when passing judgment, order the whole or any part of the fine recovered to be paid as compensation to the person injured or in the case of his death, to his legal representative.

Power of Court to pay compensation out of fine.

Provided that, if the fine is imposed in a case which is subject to appeal, no such payment shall be made before the period allowed for presenting the appeal has elapsed, or, if an appeal has been presented, before the decision of the appeal."

28. In section 48 of the said Act, at the end of sub-section (*2*), the words and figures "or section 44" shall be added.

Amendment of section 48, Act XII of 1911.

29. In section 50 of the the said Act,—

Amendment of section 50, Act XII of 1911.

(*a*) in sub-section (*1*), for the words and figures "or section 18," the words and figures "section 18, section 18A or section 19A" shall be substituted;

(*b*) after sub-section (*3*), the following sub-section shall be inserted, namely:—

(4) Except in the case of an appeal against an order under section 19A, the appellate authority may, on the application of the appellant, suspend the operation of an order of the Inspector pending the decision of the appeal. But where no such suspension has been granted, such order shall be complied with notwithstanding the fact that an appeal has been presented."

Amendment of section 51, Act XII of 1911.

30. In sub-section (2) of section 51 of the said Act, for the words and figures "section 24, clause (*a*) and section 29," the words and figures "and section 24, clause (*a*)" shall be substituted.

Amendment of section 52, Act XII of 1911.

31. In section 52 of the said Act, for the words and figures "section 28 and section 32," the words and figures "section 27, section 28 and section 31" shall be substituted.

Amendment of Schedules to Act XII of 1911.

32. For Schedules I and II to the said Act, the Schedule contained in Schedule I to this Act shall be substituted.

Repeals.

33. The provisions of the said Act specified in Schedule II are hereby repealed to the extent shown in the second column thereof.

SCHEDULE I.

SCHEDULE TO BE SUBSTITUED IN THE INDIAN FACTORIES ACT, 1911.

(*See section 32.*)

"THE SCHEDULE.

(*See section 19B.*)

PART I.

1. Work at a furance where the reduction or treatment of zinc or lead, ores is carried on:

2. The manipulation, treatment, or reduction of ashes containing lead the desilverising of lead or the melting of scrap lead or zinc:

3. The manufacture of solder or alloys containing more than ten per cent. of lead:

4. The manufacture of any oxide, carbonate, sulphate, chromate, acetate, nitrate, or silicate of lead:

5. Mixing or pasting in connection with the manufacture or repair of electric accumulators:

6. The cleaning of work-rooms where any of the processes aforesaid are carried on.

PART II.

1. Where dust or fume from a lead compound is produced in the process, provision must be made for drawing the fume or dust away from the persons employed by means of an efficient exhaust draught so contrived as to operate on the dust or fume as nearly as may be at its point of origin:

2. The persons employed must undergo the prescribed medical examination at the prescribed intervals, and the prescribed record must be kept with respect to their health:

3. No food, drink, or tobacco, shall be brought into, or consumed in, any room in which the process is carried on, and no person shall be allowed to remain in any such room during meal times:

4. Adequate protective clothing in a clean condition shall be provided by the employer and worn by the persons employed:

5. Such suitable cloak-room, mess room and washing accommodation as may be prescribed shall be provided for the use of the persons employed:

6. The rooms in which the persons are employed, and all tools and apparatus used by them, shall be kept in a clean condition."

SCHEDULE II.

(*See Section 33.*)

REPEALS.

Section 2	Clause (*4*).
Section 22	Sub-section (*2*), (*3*) and (*4*).
Section 36	Sub-section (*4*).
Section 38	The words "from time to time."
Section 55	The whole.
Section 59	Ditto.

NO. 189-175.

Chamber of Commerce,
Bombay, 6th February 1922.

The Hon'ble Sir Arthur Froom, Kt.,
7, Metcalfe House,
Delhi.

Dear Sir,—I am directed to acknowledge receipt of your letter of the 27th ultimo, and its accompaniments, with reference to the passing of the Bill to amend the Indian Factories Act, 1911 and to thank you for the information therein contained which, as you suggest, is of great interest to the Committee.—Yours faithfully.

C. B. SAYER,
Secretary.

APPENDIX H-2.

PROPOSED LEGISLATION FOR THE PREVENTION AND EARLY SETTLEMENT OF LABOUR DISPUTES.

The Conciliation Act, 1896.

An Act to make better Provision for the Prevention and Settlement of Trade Disputes (b) (7th August, 1896). Be it enacted by &c as follows :

I (1) Any board established either before or after the passing of this Act which is constituted for the purpose of settling disputes between the employers and workmen by conciliation or arbitration, or any association or body authorised by an agreement in writing made between employers and workmen to deal with disputes (in this Act referred to as a conciliation board),

(b) On the subject-matter of this act, see Howell's Handy book on the Labour Laws, 3rd Ed. chap. XV ; Cohen and Howell's Trade Union Law and Cases (1901) ; Howell's Labour Legislation, Labour Movements, and Labour Leaders (1902) ; where (p. 445) it is said that the success of the act has been mainly due to the cautious and careful way in which it has been administered by the Board of Trade, and that "in divers ways and numerous instances that act has been instrumental in averting strikes and in settling disputes when they had arisen", but added that "its full fruition is for the future". The first act which applied the principle of arbitration to labour disputes was that of 1701 (1 Anne at. 2, c 22), made perpetual in 1710 by 9 Anne, c. 30.

may apply to the board of Trade for registration under this Act.

(2) The application must be accompanied by copies of the constitution, byelaws, and regulations of the conciliation board, with such other information as the Board of Trade may reasonably require.

(3) The Board of Trade shall keep a register of conciliation boards, and enter therein with respect to each registered board its name and principal office, and such other particulars as the Board of Trade may think expedient, and any registered conciliation board shall be entitled to have its name removed from the register on sending to the Board of Trade a written application to that effect.

(4) Every registered conciliation board shall furnish such returns, reports of its proceedings, and other documents as the Board of Trade may reasonably require.

(5) The Board of Trade may, on being satisfied that a registered conciliation board has ceased to exist or to act, remove its name from the register.

(6) Subject to any agreement to the contrary, proceedings for conciliation before a registered conciliation board shall be conducted in accordance with the regulations of the Board in that behalf.

II (1) Where a difference exists or is apprehended between an employer or any class of employers, and workmen, or between different classes of workmen, the Board of Trade may, if they think fit, exercise all or any of the following powers, namely—

(*a*) inquire into the causes and circumstances of the difference;

(*b*) take such steps as to the Board may seem expedient for the purpose of enabling the parties to the difference to meet together, by themselves or their representatives, under the presidency of a chairman mutually agreed upon or nominated by the Board of Trade or by some other person or body, with view to the amicable settlement of the difference;

(*c*) on the application of employers or workmen interested, and after taking into consideration the existence and adequacy of means available for conciliation in the district or trade and

the circumstances of the case, appoint a person or persons to act as conciliator or as a board of conciliation.

(*d*) on the application of both parties to the difference appoint an arbitrator.

(2) If any person is so appointed to act as conciliator, he shall inquire into the causes and circumstances of the difference by communication with the parties and otherwise shall endeavour to bring about a settlement of the difference, and shall report his proceedings to the Board of Trade.

(3) If a settlement of the difference is effected either by conciliation or by arbitration, a memorandum of the terms thereof shall be drawn up and signed by the parties or their representatives, and a copy thereof shall be delivered to and kept by the Board of Trade.

III The Arbitration Act, 1889 (c), shall not apply to the settlement by arbitration of any difference or dispute to which this Act applies, but any such arbitration proceedings shall be conducted in accordance with such of the provisions of the said act, or such of the regulations of any conciliation board or under such other rules or regulations, as may be mutually agreed upon by the parties to the difference or dispute.

IV If it appears to the Board of Trade that in any district or trade adequate means do not exist for having disputes submitted to a conciliation board for the district or trade, they may appoint any person or persons to inquire into the conditions of the district or trade, and to confer with the employers and the employed and if the Board of Trade think fit, with any local authority or body, as to the expediency of establishing a conciliation board for the district or trade.

V The Board of Trade shall from time present to Parliament a report of their proceedings under this Act.

VI The expenses incurred by the Board of Trade in the execution of this Act shall be defrayed out of moneys provided by Parliament.

VII The Masters and Workmen Arbitration Act 1824, and the Council of Conciliation Act 1867 and the Arbi-

(c.) 52 and 53 Vict. c. 49 Chit. Stat Tit "Arbitration," By s. 12 of this Act an award may be enforced by leave of the High Court in the same manner as a judgment or order to the same effect.

tration (Masters and Workmen) Act, 1872 (d) are hereby repealed.

VIII This act may be cited as the Conciliation Act 1896.

NOTE.—The Industrial Courts Act 1919 will be found printed in the Chamber's Report for 1920 Vol. ii pp. 269-276.

The official Report of the Chairman's speech supporting the Resolution on this subject, moved by Mr. Kanji Dwarkadas in the Bombay Legislative Council, will be found in this volume of the Report under the heading "Speeches in Legislative Councils."

APPENDIX H-3.

INTERNATIONAL LABOUR CONFERENCE, WASHINGTON.

DRAFT CONVENTIONS AND RECOMMENDATIONS CONCERNING UNEMPLOYMENT.

No. 1068-D.

General Deparment,
Bombay,
26th October 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed by the Governor in Council to forward herewith a copy of this Government Resolution No. 1088 dated the 26th October 1921, and accompaniments regarding the Draft Conventions and Recommendations of the Labour Conference, Washington, on Public Employment Agencies, and to request that you will be so good as to favour Government through the Director, Labour Office, with the opinion of your Chamber on the suggestions made in the Government of India's letter by the 10th of December 1921.—I have etc.,

S. N. ZIMAN,
Deputy Secretary to the Government of Bombay.

(d) See these acts 5 Geo. 4 c. 96 as to settlement of disputes by Justices of the Peace; 30 and 31 Vict. c. 96 (Lord St. Leonards' Act); and 35 and 36 Vict. c. 46 Chit. Stat. Tit "Master and servant" one and all they have long been dead letters; the Act of 1824 not having been enforced for half a century, and the acts of 1867 and 1872 not having been enforced at all. Resolutions however in favour of conciliation and arbitration have been passed at all or nearly all the trade congresses from 1868 downwards. See Howell's Handy Book of Labour Laws, 3rd ed. p. 233.

Government of Bombay,
General Department
Resolution No. 1068.
26th October 1921.

Letter from the Government of India Department of Industries No. L.—927, dated 30th September 1921 (Printed below).

RESOLUTION.—Copies of the letter from the Government of India should be forwarded to the Collector of Bombay; the Director, Labour Office; the Director of Industries; the Superintendent of Telegraphs, Bombay Circle; the Chairmen, Bombay and Karachi Port Trusts; the Commissioners of Divisions; the Commissioner in Sind; the Millowers' Associations, Bombay and Ahmedabad; the European Textile Association; the Chambers of Commerce, Bombay and Karachi; the Indian Merchants' Chamber and Bureau, Bombay; the Social Service League; the Kamgar Hitawardhak Sabha; the Agents, B. B. and C. I. and G. I. P. Railway Companies; the Trades Union Congress and the Bombay Engineering Employers' Association, and they should be requested to favour Government with their opinions on the suggestions made by the Government of India and forward their replies to Government through the Director, Labour Office, not later than the 25th of November 1921.

By order of the Governor in Council,
S. N. ZIMAN,
Deputy Secretary to Government.

Letter from the Government of India no. L.—927 dated 30th September 1921, to the Secretary to the Government of Bombay, Home Department.

I am directed to invite your attention to Board of Industries and Munitions letter no. L.—812, dated the 17th May 1920, on the subject of the Draft Convention and Recommendation concerning unemployment, adopted at the meeting of the International Labour Conference at Washington. The views of the Government of India on this subject are contained in paragraphs 9 and 13 of the Government of India's Despatch no. 16 (Industries), dated the 25th November 1920, a copy of which was sent to you with Board of Industries and Munitions letter no. L.—812, dated the 25th of January 1921. The Draft

Convention has been ratified by the Government of India [*vide* Despatch No. 7 (Industries), dated the 21st April 1921, a copy of which was forwarded to you with this Department letter no. L.—812, dated the 14th of May 1921].

I am now to address you on the subject of public employment agencies.

2. Article 2 of the Convention concerning unemployment requires every Member of the Conference ratifying the Convention to establish a system of free public employment agencies under the control of a central authority. In their Despatch no. 16 (Industries) of the 25th November 1920 to the Secretary of State, the Government of India said that the creation of free public employment agencies had hitherto been thought unnecessary, since the demand for industrial labour has till now exceeded the supply. It was stated, however, that in a few congested areas, where wages remained relatively low owing to the outside demand for iudustrial labour failing to reach these areas, the institution of unemployment agencies might facilitate migration to areas where the demand for labour was never fully met. I am now to invite the opinions and suggestions of your Government on this subject.

3. In the Despatch to the Secretary of State [no. 16 (Industries), dated the 25th November 1920], it was pointed out that the Indian system of famine organisation dealt effectively with unemployment. The Government of India, however, think that it might be an advantage, if, during the early stages of scarcity and famine, when the migration of labour begins and measures such as the distribution of *takavi* are initiated, steps were taken to inform the inhabitants of localities affected of any suitable employment available. It is understood that, in areas such as the Deccan, people who might be willing to migrate have some difficulty in obtaining reliable information regarding the more distant places where employment is available or the type of work that is offered. It is possible that if such villagers were given early information on such points as places where work is obtainable, the accommodation provided, the type of work, the rates of wages, and whether there is work for women and children and for bullock carts, they would in many cases be able to look after themselves. Such information might be distributed through revenue or other

officers; in some cases perhaps a public employment agency might be started with advantage. The Government of India would be glad to have the views of your Government on this point.

4. As stated above, the Goverment of India expressed the view that public employment agencies might be useful in congested areas. I am now to draw your attention to the advisability of creating such agencies in such areas as the eastern districts of the United Provinces and the districts of north Bihar. In districts of this type, where the supply of labour for local purposes is believed to be permanently larger than the demand, the Government of India think that considerable benefit might follow from the establishment of agencies which would facilitate the migration of surplus labour to industrial areas where there is usually a shortage.

5. Article 2 of the Convention concerning unemployment also requires that committees which shall include representatives of employers and of workers shall be appointed to advise on matters concerning the carrying on of employment agencies. In the Government of India Despatch no. 16 (Industries), dated the 25th November 1920, it was stated that the Government of India had no objection to associating with those agencies, when created, advisory bodies of this type. They think that there would be no serious difficulty in securing representatives of employers for service on such bodies. They recognise, however, that it may not be easy to nominate suitable representatives of labour in all cases. They hope, however, that this difficulty will be gradually overcome. The Government of India will be glad to have the opinions and suggestions of your Government on this point.

6: I am now to invite attention to Article I of the Recommendation of the Washington Conference, according to which each Member of the International Labour Organisation has to take measures to prohibit the establishment of employment agencies which charge fees or which carry on their business for profit. The replies of local Governments to Board of Industries and Munitions' letter no. L.—812, dated the 17th May 1920, indicated that employment agencies of this character were practically unknown in India. A case, however, has recently been brought to the notice

of the Government of India which seems to show that agencies of this kind, and some possibly fraudulent in character, may spring up in future. An emigration agency in Bombay recently advertised throughout the Punjab that employment could be obtained through it in France on pay of approximately Rs. 15 a day. A large number of applications were received, and, on an assurance that remunerative posts had been secured for the applicants, nearly two hundred emigrants were induced to pay sums varying from Rs. 500 to Rs. 600 to cover the cost of their passages, passports, etc. From time to time these men were despatched from Bombay to the Riviera, where they discovered that the promises of employment were entirely without foundation. They drifted to Marseilles, where they reported themselves to the British Consul General as completely destitute. They were ultimately repatriated at the public expense. It is estimated that this emigration agency made a profit of from Rs. 200 to Rs. 250 on each emigrant.

Similar agencies may have recently been started in other parts of India, and the advisability of prohibiting them or of permitting them to operate only under Government license will no doubt be carefully considered by your Government.

7. I am to add that the question of establishing employment agencies for Indian seamen is being considered separately.

8. I am to request that, with the permission of His Excellency the Governor, the Government, of India may be favoured with a reply to this letter before the end of November 1921.

Government of Bombay,
General Department,
Order no. 7866.

29th June 1921.

Letter from the Government of India, Department of Industries, no. L.—812, dated the 14th May 1921:—

"In continuation of letter no. L.—812, dated the 25th January 1921, from the Board of Industries and Munitions,

I am directed to forward herewith, for the information of the local Government, a copy of the Government of India Despatch no. 7-Industries of 1921, dated the 21st April 1921, together with a copy of telegram no. L.—812, dated the 26th January 1921, referred to therein."

ORDER.—The letter from the Government of India and accompaniments should be communicated to the officers and Departments concerned for information.

By order of the Governor in Council,

S. N. ZIMAN,

Deputy Secretary to the Government.

Secretariat, Fort, Bombay, 27th May 1921.

No. 6503.—The following notification by the Government of India, Department of Industries, is republished :—

"No. L.-812, dated Simla, the 14th May 1921.

The following correspondence between the Government of India and His Majesty's Secretary of State for India is published for general information :—

Telegram No. L.-812, dated Delhi, the 26th January 1921.

From—Viceroy (Board of Industries and Munitions),

To—His Majesty's Secretary of State for India, London.

Washington Labour Conventions. Your telegram dated 12th January, 248, to Viceroy (Board of Industries and Munitions). Please communicate to Secretary, General League of Nations in suitable form our ratification of two conventions, *viz.* (1) relating to night work of young persons employed in industries and (2) relating to employment of women by night and intimate to him that recommendations relating to prohibition of white phosphorus and to reciprocity of treatment of foreign workers are already in force. Further communication will be sent regarding other Draft Conventions and Recommendations after they have been laid before Legislature.

Despatch No.7-Industries, dated Simla, the 21st April 1921.

From—His Excellency the Viceroy and Governor General of India in Council, (Department of Industries),

To—The Right Hon'ble Edwin Montagu, His Majesty's Secretary of State for India, London.

In our telegram No. L.-812, dated the 26th of January 1921, we requested you to communicate to the Secretary General of the League of Nations our ratification of two draft Conventions, adopted at the Meeting of the International Labour Conference held at Washington in October and November 1919, and we proposed to send a further communication regarding the other draft Conventions and Recommendations after they had been considered by the Legislature. We have now laid those draft Conventions and Recommendations before the Indian Legislature, and we enclose for your information copies of the Resolutions adopted by the Legislative Assembly on the 19th February 1921 (Enclosure No. 1) and by the Council of State on the 21st February 1921. (Enclosure No. 2). Except that the Resolution passed by the Legislative Assembly relating to the draft Convention and the Recommendation concerning unemployment was divided and passed as two Resolutions in the Council of State, the Resolutions passed in the two Chambers are identical. We have considered these Resolutions and have reached the conclusions stated in the paragraphs that follow.

2. The acceptance of the first Resolution will involve the ratification of the draft Convention limiting the hours of work before the legislation necessary to give effect to this Convention has been passed. At the same time, now that the principle involved has received the approval of both Chambers, we are confident that the Legislature will re-affirm in legislation the conclusions it has reached in this Resolution. We, therefore, request you to communicate to the Secretary-General of the League of Nations, in suitable form, our ratification of the Convention referred to above. In accordance with the second part of this Resolution, we have prepared a Bill to amend the Indian Factories Act, and copies of this Bill have already been forwarded to you. The Bill was introduced in the Legislative Assembly on the 1st March 1921, and has since been referred to a Joint Committee of the Council of State and the Legislative Assembly by agreement between the two Houses. Clauses 16 and 17

of this Bill, if passed, will satisfy the demands of the draft Convention as far as Factories are concerned. We have undertaken the examination of the Indian Mines Act (VIII of 1901) with a view to its revision, and hope to be in a position to introduce a revising Bill in the autumn session of the Legislature. We intend that this Bill should include provisions designed to satisfy the draft Convention, in so far as it applies to Mines. We have under considertion the possibility of an immediate extension of the provisions of the Convention to certain branches of railway work.

3. In accordance with the recommendations of the Legislature on the draft Convention concerning unemployment, we request you to communicate to the Secretary-General our ratification of this Convention also. We should be glad if you would explain to the Secretary-General at the same time the peculiar position of India in this respect as explained in paragraph 9 of our Despatch No. 16 (Industries) of 1920, dated 25th November 1920. We consider it desirable that, in order to avoid subsequent misunderstanding, our views regarding this draft Convention and the action that we propose to take should be made clear to the Secretary-General when the Convention is ratified. It will thus be possible for him to judge whether the measures which we are taking or propose to take do, or do not, constitute an effective compliance with the provisions of the Convention.

4. The last Resolution passed in each Chamber refers to a third Convention—that fixing the minimum age for admission of children to industrial employment. We venture to remind you that at the Washington Conference, the Commission on Employment of Children recommended that this Convention should not apply at once to India. The Commission accepted the view put forward by the Delegates who represented us at the Conference that we should be asked to place before the next meeting of the Conference our own proposals in this matter. After a brief discussion in the full meeting of the Conference, the proposal of the Commission was negatived, and an amendment was accepted which now forms Article 6 of the draft Convention. Our delegates had no opportunity of suggesting reservations in the article itself which would have harmonised it with the general scheme of the factories law in this country. The mover of the amendment which resulted in the adoption of this article was apparently influenced chiefly by the desire to

call the attention of the Indian Government to the importance of the subject. It is hardly necessary to explain that there is some difficulty in adjusting a provision adopted in this manner to the conditions prevailing in India, and we believe that the reservations laid down in the Resolutions of the Legislature are absolutely necessary, if we are to ratify this draft Convention. The first reservation is designed to ensure that our provisions for the protection of children are genuine. It would be a simple matter for the Legislature to enact that the Factories Act should apply to all factories employing as few as ten persons, but it would be quite impossible for the local Governments to provide immediately the staff necessary to inspect those factories. This point had been fully discussed in the Commission on the Application of the 48-hour week Convention to Special Countries, which was presided over by the Right Hon'ble G. N. Barnes, and, as will be observed from the text of our factories Bill, we have proposed a material modification of the definition of 'factory,' as suggested in paragraph 5 of the chapter on India of the report of Mr. Barnes' Commission. The second reservation that we are making in our acceptance of the draft Convention is of a purely temporary nature and is designed to minimise opposition from the operatives themselves, and to give employers time to make the adjustments necessary to meet the new conditions. It will be observed that an exactly parallel reservation exists in Article 5 of this draft Convention in the case of Japan. While we desire, therefore, to ratify this Convention, we wish to make the reservations laid down in the Resolutions of the Legislature. We are taking the steps necessary for the framing of Bills to apply the provisions of the Convention to mines and to transport workers.

5. As stated in our telegram No. L.-812 of 26th January 1921, two Recommendations adopted at Washington are already in force in this country, viz., the Recommendation concerning reciprocity of treatment of foreign workers and the Recommendation relating to the prohibition of the use of white phosphorus in the manufacture of matches. The remaining Recommendations are dealt with in the Resolutions now adopted by the Legislature. Section 10 of the Bill to amend the Indian Factories Act, if passed, will satisfy the Recommendation concerning the protection of women and children against lead poisoning. Section 22 of the same Bill will make it possible for us to give effect to the Recommendation

concerning the prevention of anthrax if, after due enquiry, we are satisfied as to the necessity for so doing. This Recommendation and the Recommendations concerning unemployment and the establishment of Government Health Services are receiving our attention. We request you to inform the Secretary-General of the action we are taking on the Recommendations referred to.

ENCLOSURE NO. 1.

Resolutions moved by the Hon'ble Sir Thomas Holland K.C.S.I., K.C.I.E., etc., and adopted by the Legislative Assembly.

1.

This Assembly recommends to the Governor General in Council—

(*a*) that he should ratify the Draft Convention limiting the hours of work in industrial undertakings adopted by the General Conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th of October 1919;

(*b*) that steps should be taken to introduce in the Indian Legislature the legislation necessary to give effect to this Convention as applied to British India by Article 10 thereof."

2

"This Asssembly recommends to the Governor General in Council—

(*a*) that he should ratify the Draft Convention concerning unemployment adopted by the General Conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th of October 1919;

(*b*) that he should, after such investigation regarding unemployment in India as he may think fit, take steps to create regular public employment agencies in so far as the same may be necessary to facilitate the migration of labour;

(*c*) that such agencies, when created, should be provided with Advisory Boards representative of employers and workers;

(*d*) that he should examine the Recommendation concerning unemployment adopted by the General Conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th October 1919, in order to determine to what extent it is desirable to give effect thereto."

3

"This Assembly recommends to the Governor General in Council—

(*a*) that he should make enquiry into the possibility of making arrangements for the disinfection of wool infected with anthrax spores as suggested in the Recommendation concerning the prevention of anthrax adopted by the General Conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th of October 1919;

(*b*) that steps should be taken to introduce in the Indian Legislature such legislation as may be necessary to enable him to give effect to the Recommendation if, after due enquiry, he is satisfied as to the necessity for so doing."

4

"This Assembly recommends to the Governor General in Council that he should give effect to the Recommendation concerning the protection of women and children against lead poisoning adopted by the General Conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th of October 1919, and should take steps to introduce in the Indian Legislature the legislation necessary to that end."

5

"This Assembly recommends to the Governor General in Council that he should examine the possibility of giving effect to the Recommendation concerning the establishment of Government Health Services adopted by the General Conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th October 1919."

6

"This Assembly recommends to the Governor General in Council—

(*a*) that he should ratify the Draft Convention fixing the minimum age of admission of children in industrial employment adopted by the General Conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th of October 1919, subject to the following reservations:—

(*i*) that it shall not apply to factories employing more than 10 but less than 20 persons unless the Local Government so directs;

(*ii*) that transitional regulations shall be made regarding children between the ages of 9 and 12 already lawfully employed in factories;

(*b*) that steps should be taken to introduce in the Indian Legislature the legislation necessary to give effect to the Draft Convention as applied to British India by Article 6 thereof and subject to the reservations above stated."

ENCLOSURE NO. 2.

Resolutions moved by the Hon'ble Mr. A. C. Chatterjee, C.I.E. I.C.S., and adopted by the Council of State.

I

"This Council recommends to the Governor General in Council—

(*a*) that he should ratify the Draft Convention limiting the hours of work in industrial undertakings, adopted by the General Conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th of October 1919;

(*b*) that steps should be taken to introduce in the Indian Legislature the legislation necessary to give effect to this Convention as applied to British India by Article 10 thereof."

2.

"This Council recommends to the Governor General in Council—

(*a*) that he should ratify the Draft Convention concerning unemployment adopted by the

General Conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th of October 1919;

(*b*) that he should, after such investigation regarding unemployment in India as he may think fit, take steps to create regular public employment agencies in so far as the same may be necessary to facilitate the migration of labour;

(*c*) that such agencies, when created, should be provided with Advisory Boards representative of employers and workers."

3

"This Council recommends to the Governor General in Council that he should examine the Recommendation concerning unemployment adopted by the General Conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th October 1919, in order to determine to what extent it is desirable to give effect thereto."

4

"This Council recommends to the Governor General in Council—

(*a*) that he should make enquiry into the possibility of making arrangements for the disinfection of wool infected with anthrax spores as suggested in the Recommendation concerning the prevention of anthrax adopted by the General Conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th of October 1919;

(*b*) that steps should be taken to introduce in the Indian Legislature such legislation as may be necessary to enable him to give effect to the Recommendation if, after due enquiry, he is satisfied as to the necessity for so doing."

5

"This Council recommends to the Governor General in Council that he should give effect to the Recommendation concerning the protection of women and children against lead poisoning adopted by the General Conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th of October 1919, and should take steps to introduce in the Indian Legislature the legislation necessary to that end."

6

"This Council recommends to the Governor General in Council that he should examine the possibility of giving effect to the Recommendation concerning the establishment of Government Health Services adopted by the General Conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th of October 1919."

7

"This Council recommends to the Governor General in Council—

(*a*) that he should ratify the Draft Convention fixing the minimum age of admission of children in industrial employment adopted by the General Conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th of October 1919, subject to the following reservations:—

(*i*) that it shall not apply to factories employing more than 10 but less than 20 persons unless the Local Government so directs;

(*ii*) that transitional regulations shall be made regarding children between the ages of 9 and 12 already lawfully employed in factories;

(*b*) that steps should be taken to introduce in the Indian Legislature the legislation necessary to give effect to the Draft Convention as applied to British India by Article 6 thereof and subject to the reservations above stated."

(Signed) A. C. CHATTERJEE,
Secretary to the Government of India."

By order of the Governor in Council,
J. C. KER,
Secretary to Government.

No. 2227-40

Chamber of Commerce,
Bombay, 12th December 1921,

The Deputy Secretary to the Government of Bombay,
General Department, Bombay.

Sir,—I am directed to acknowledge receipt of your letter, No. 1068—D, dated the 26th October 1921, and its

accompaniments, which were received in this office on the 1st December 1921.

2. In reply I am to state that the question of the desirability of establishing public employment agencies in accordance with the provisions of Article 2 of the draft Convention adopted by the General Conference of the International Labour Organization convened at Washington on the 29th October 1919, and subsequently ratified by the Government of India, has received the careful consideration of my Committee.

3. The position, as my Committee understand it, is that the Central Government, having ratified the Convention referred to in the preceding paragraph, desire now to examine the various possible means by which they may give effect to the terms of the Convention and, more particularly, to the provisions of two Resolutions adopted by the Indian Legislative Assembly and the Council of State, respectively, in the same connection.

4. For facility of reference I am to quote below the relevant section, which is the same in each instance, of the abovementioned Resolutions :—

"This Assembly (Council) recommends to the Governor General in Council :—

* * * * * *

(b) That he should, after such investigation regarding unemployment in India as he may think fit, take steps to create regular public employment agencies in so far as the same may be necessary to facilitate the migration of labour :—

* * * * * *

5. If the position is as above described my Committee assume that the Government of India are already committed to the principle and that the present issue is one of ways and means only.

6. My Committee are distinctly averse to the expenditure which would be involved by any widespread distribution of employment bureaux throughout the country. It is unnecessary to remind Government that the population of the country is almost entirely agricultural rather than industrial; and my Committee are of opinion that the shortage of labour is so acute in the industrial and mining centres that wherever there is any congestion in agricultural districts emigration becomes simple and automatic with the help of recruiting agencies which

establish themselves at once wherever labour is plentiful. It seems to my Committee to be quite unnecessary to establish labour bureaux in agricultural districts to assist this natural movement.

7. There are, however, occasional times in industries, and especially in mining industries, when owing to the state of the market it is necessary to discharge labourers through no fault of their own and when whole districts are in consequence thrown out of employment. My Committee believe that even in such circumstances labour is generally able to gravitate to more prosperous centres of its own initiative, but it would no doubt be helpful to provide emergency labour bureaux where such necessities arise.

8. I am also to say that my Committee would welcome the establishment of Labour Bureaux in such towns and centres as provide scope for a large number of specialised trades. In Bombay for instance, while there is no difficulty whatever in finding employment in the cotton mills for unskilled labour in bulk, there is probably plenty of room for an establishment to control the supply of and the demand for individual workmen from mechanics and fitters down to watchmen and durwans. Some organizations are already working in this direction chiefly in order to find employment for ex-sepoys and an extension in this direction would probably be most useful.—I have etc.

C. B. SAYER,
Secretary.

APPENDIX H-4.

WORKMEN'S COMPENSATION.

PROPOSED LEGISLATION.

No. 264-D.

General Department,
Bombay,
3rd October 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed by the Governor in Council to forward herewith a copy of this Government Order No. 264, dated the 12th September 1921 and accompaniments regarding

legislation for the provision of compensation of workmen for injuries received by them in the course of their employment and to request that you will be so good as to favour Government with the opinion of your Chamber on the questions raised in the Government of India's letter by the 31st October, especially on those with which your Chamber is concerned.—I have, etc.

S. N. ZIMAN,
Deputy Secretary to the Government of Bombay.

Government of Bombay,
General Department.

Order No. 264.

Bombay,
12th September 1921.

Letter from the Government of India, no. L.—859, dated the 29th July 1921.

ORDER.—Copies of the letter from the Govenment of India and accompaniments and of the note prepared by the Director, Labour Office, on Workmen's Compensation Acts should be forwarded to the Honourable the Chief Justice and Judges of His Majesty's High Court of Judicature, Bombay; the Remembrancer of Legal Affairs; the Commissioners of Divisions; the Commissioner in Sind; the Collector of Bombay; the Director of Industries; the Millowners' Association, Bombay; the Indian Merchants' Chamber and Bureau, Bombay; the Chambers of Commerce, Bombay and Karachi; the European Textile Association; the Social Service League; the Trades Union Congress and the Kamgar Hitwardhak Sabha; and they should be requested to favour Government with their opinion in general on the provisional views of the Government of India with regard to the proposed legislation, and in particular on each point referred to in paragraph 22 of the letter.

2. The Agents, B. B. and C. I. and G. I. P. Railways; the Bombay Engineering Employers' Association; the Chairmen, Bombay and Karachi Port Trusts; the Shipping Master, Bombay; and the Superintendent of Telegraphs, Bombay Circle, should be requested to favour Government with their views on the proposals as far as they would affect workmen of the special occupations

concerned. The Revenue, the Public Works and the Home Departments should be requested to offer their remarks on the reports submitted by their officers, who should all be requested to submit their replies by the 31st October of 1921.

3. A copy of the letter should also be forwarded to the Director of Information, and he should be requested to give wide publicity to it as desired by the Government of India. The letter from the Government of India has been published in the *Bombay Government Gazette.*—By order of the Governor in Council,

S. N. ZIMAN,
Deputy Secretary to Government.

Accompaniment to Government Order, General Department, no. 264, dated the 12th September 1921.

Workmen's Compensation Acts.

India alone of the chief industrial countries of the world has no Workmen's Compensation Act. The United Kingdom, the United States, France, Germany, Belgium, Japan, Switzerland and Italy have legislation providing for compensation to workmen disabled in the course of their work. Germany passed legislation as far back as 1884, the United Kingdom in 1897, France and Italy in 1898, the United States in 1908, Japan in 1911 and Switzerland in 1912. The Dominions (South Africa, Australia, New Zealand, Canada) have also legislation of this nature. In some cases such legislation is federal or imperial; in others provincial, *e.g.,* in Australia and Canada. These Acts do not imply a fault on the part of any individual and provide for compensation for death or injury in the case of accidents occuring in the course of the worker's employment so that ensuing hardships are minimised to the sufferer and his dependents.

2. *Scope of the Acts:* (1) *Industries and Occupations.*—Workmen's Compensation Acts do not cover all industries, although there are a few which do embrace all industrial employment. As a general rule, factories, mines, railways, building and engineering works are included. In some countries agriculture, navigation, and domestic service are included. The English Act of 1907 covers "any employment"; the French Act and the Acts of several American States include almost all industries. Most of the State laws of the United States, however, cover occupations other than agriculture and

domestic service, and some apply to certain specified or scheduled "hazardous employment". One American State Act details 450 such employments.

3. *Scope of the Act: (2) Persons.*—The class of persons who come within the purview of the Acts varies in different countries. In some countries such as Germany, Italy, and Holland, only manual labourers and in some cases overseers are ordinarily covered by the Acts. Non-salaried employees, in other words, are entitled to benefit. In the British Empire, in the States of the American Union, and in France salaried employees are with certain reservations included. In the English Act those who not being manual labourers earn more than £250 per annum are excluded. A Committee appointed to examine the English Act have proposed in 1920 that several new classes of workers should be included, in addition to the 15 million workers already within the scheme. These include non-manual workers whose rate of remuneration does not exceed £350 per annum as against £250 the present maximum. It is not unusual to prescribe a maximum limit of earnings beyond which employees are excluded, *e.g.*, the Acts of New Zealand and Germany.

4. *The Amount of Compensation.*—The most general principle is to fix compensation based on the worker's earnings. Only in a few cases is a rate fixed regardless of individual earnings. In fatal cases the compensation to be paid to those wholly dependent on the deceased is frequently limited to three years' wages with minimum and maximum limits. It is unnecessary in this connexion to instance British Empire legislation and that in some of the American States. Where there is a widow and dependent children pensions usually range from one-half to two-thirds of the wages of the deceased, with of course a maximum limit. The widow's pension alone amounts to 20 per cent. and there are additional allowances for each child. The Committee on the English Act recommended (1) £250 for a widow, and a weekly allowance of 10*s.* for the fist child under 15, 7*s.* 6*d.* for the second; and 6*s.* for every other child; (2) where other total dependents are left excluding those in (1) £250. Funeral and medical expenses the Committee proposed should be increased to £15. In cases of total disablement, a periodical payment based on average earnings, one-half or three-fifths (in some cases with a maximum limit) is fixed in the vast majority of countries. Payments are made as a general rule throughout the life of the disabled worker. The

Italian Act provides for a payment equal to six years' wages and the Spanish Act to three years' earnings. In some of the American State laws payments are limited from four to ten years. In cases of *temporary* total disablement it is customary in many countries to pay the same as for total disablement although in some, *e.g.*, France one-half instead of two-thirds is payable. The Committee on the English Act recommend in the case of total disablement two-thirds of the average weekly earnings, with a maximum of £3 a week. For partial disablement compensation is in most countries determined by loss of earning capacity. In this connection the Committee on the English Act recommend two-thirds of the difference between the average weekly earnings before and after the accident. It is not unusual also to limit the period of payment for injuries specified in the Act. Two-thirds for example of the average weekly earnings are paid in the New York Law for a period of from 15 weeks for a loss of a fourth finger to 244 weeks for a hand and 312 weeks for an arm. In many countries medical treatment is provided in addition to these payments.

5. *Compulsory and Non-Compulsory Insurance.*—Many countries make insurance on the part of employers compulsory as security for payments. In some countries, however, for example France, insurance is voluntary. In all but eight European countries and two American States (where employees contributed part of the expense) the whole burden of compensation rests upon the employers. In some countries there is a State insurance fund. In New Zealand provision is made by the Government Accident Insurance Act, 1908, and by a State Department which insures employers against risk. There are also private insurance companies which undertake these risks and are regulated to some extent by the Accident Insurance Companies Act, 1908. The Committee on the English Act referred to above were not in favour of a system of State insurance. The Committee recommended (1) State supervision of rates of premium of insurance companies with a view to the restriction of their expenses and profits in workmen's compensation business; not more than 30 per cent. of the premium income to be expended in profits, management expenses, and payments for commission to agents, the latter not to exceed 5 per cent. of the premium and the maximum rates to be approved or fixed by a Government Official; (2) mutual associations to be placed under the same obliga-

tions as insurance companies as to (1) setting aside funds to meet liabilities and (2) furnishing returns; (3) every employer other than Government, a local or other public authority, a statutory company, or a house-holder in respect of servants not employed by him for the purpose of his trade or business, and, under certain circumstances, firms whose pay-roll for three years averages over £20,000 and who are "self-insurers"—to insure against workmen's compensation risks.

6. The English Act and other Acts such as those of the states of the Australian Commonwealth, New Zealand, and recent Acts, *e. g.*, those of Brazil (1919), etc., may be seen at the Bombay Labour Office.

No. L.-859.

Government of India,
Industries Department,
Simla, the 29th July 1921.

The Secretary to the Government of Bombay,
General Department.

Sir,— I am directed to state that the Government of India have had under consideration the question of legislation for the provision of compensation to workmen for injuries received by them in the course of their employment. The Government of India are of opinion that the time has now arrived for legislation with this object in view. There are indications of a considerable expansion in the near future in the number and size of industrial establishments. Moreover machinery and power are being employed in factories to a much larger extent than was the case before. Mines are being worked at greater depths and very often with power machinery. The transport industries are developing. Until recently there were practically no industries in India which could be reasonably described as 'dangerous.' It is probable, however, that the next few years will see the establishment of industries of this category, whilst increased complexity will tend to make existing industries more liable to personal risk. I am to forward for the consideration and criticism of the local Government the provisional views of the Government of India with regard to the nature of the legislation that seems to be necessary.

I am to point out that according to item 26 (*g*), Part II of Schedule I of the Devolution Rules the welfare of labour including provident funds, industrial insurance

(general, health and accident), and housing, is subject to Central Government legislation, and that the Government of India consider it desirable that compensation for injury throughout India should be carried out on uniform lines.

2. The Government of India are advised that, in a large class of cases, it is impossible for a workman, under the present law in India, to recover damages by suit from his employer for physical injuries sustained in the course of his employment. Under the Common Law of England a master is liable to his servants only for injuries caused by his own negligence. An employer is not liable for injuries caused by the negligence of a fellow servant, and in most industrial establishments the negligence of other workmen is responsible for a large proportion of the accidents which overtake employees. In England, this disability was removed by the Employees' Liability Act of 1880, and the Workmen's Compensation Act of 1906 but the Government of India understand that the Common Law principle above stated would still be applied by the Civil Courts in India. The legal position of the workmen in India is therefore far less favourable than that of the workmen in England at the present time.

3. Apart from the position in common law, the ignorance of working men and their inability to undertake extensive litigation place them in a disadvantageous position in suits for compensation. For these reasons most civilized countries have found it necessary to pass statutes defining the compensation for physical disabilities arising in and out of the course of employment. These considerations apply with at least equal force in India, where the great majority of working men are still illiterate, and where few of them have the means necessary to institute and carry on suits for damages. It is true that some liberal-minded employers—and this includes the railway administrations—do pay compensation on such occasions. But the amount paid is not based on uniform rules. In any case the Government of India feel that a matter which concerns the welfare of the working classes so closely cannot any longer be left to the uneven generosity of employers.

4. There is, however, room for considerable difference of opinion with regard to the actual limit of the protection that should be extended to workpeople in this respect. It would probably be wise to include in the Act a clause or clauses defining the liability of employers for accidents and removing any disabilities

under which workmen suffer at present in this respect. These clauses could be made general in their application. They would merely make it possible for any person employed to sue his employer for compensation for injuries sustained in the course of, and as a result of, the employment, and might follow sections 1 and 2 of the English Employers' Liability Act of 1880 (see Appendix I). At the same time the necessity of proving negligence which these clauses enforce is now regarded by many as inequitable, and in framing legislation for this country it might be wise to dispense with this feature of the English Act quoted. In all recent legislation of this type, it is unnecessary to prove negligence in order to establish a claim for compensation.

5. The main portion of the Act should of course deal with compensatory benefits. The Government of India think that these benefits should be limited to industrial workers and that it is not at present practicable to extend their application to agricultural workers or to domestic servants. I am to suggest that the classes to be covered by the main provisions of the Act should be workers in factories, mines and in transportation services, *e.g.*, on railways, on ships and in docks. It is in such occupations that accidents are most numerous, and the figures given in Appendix II afford a strong argument for the inclusion of those branches of industry to which they relate. As the proposed legislation, by its very nature, will be designed to give the working classes some form of insurance against disability, it is desirable to confine its operation to those who are unable, by reason of the smallness of their earnings, to make provision for incapacity resulting from accidents, or to provide for their dependents in the case of their death. This is effected in England and elsewhere by a provision that the Act shall not apply to persons in receipt of salaries higher than a certain fixed limit. The Government of India consider, however, that it would be preferable to avoid such a monetary limit by defining accurately the classes to which the Act should apply. Thus it might apply to manual workers only, except on railways, where it will probably be necessary to widen the definition so as to include, at least, the whole of the running staff.

6. In respect of factories, it will probably be necessary to adopt a definition of factory differing from that used in the present Factories Act and from that inserted in the amending Bill now before the Legislature.

Both these definitions are elastic, *i. e.*, they make it possible for an industrial establishment to be brought within the definition by executive order. The considerations that justify bringing a factory under the Factories Act may be quite different from those that justify the application of a Workmen's Compensation Act to that factory, and the opposition of small factory owners to the inclusion of their establishments within the Factories Act would be greatly strengthened if such inclusion involved also increased liability for compensation to their employees. I am to suggest that the Act should apply—

(1) to all industrial establishments using mechanical power,

(2) to all industrial establishments which carry on work of a hazardous nature (*e. g.*, those involving processes dangerous to health) whether they use mechanical power or not.

7. Another question of some difficulty is whether the Act should be extended to seamen. Two classes of seamen require consideration, namely, those serving on ocean-going vessels and those serving on vessels plying on inland waters. With regard to the former, it should be remembered that Indian seamen serving on ships registered in the United Kingdom already received the benefit of the British Workmen's Compensation Act, 1906, and the Government of India believe that there are very few ships plying in Indian waters which are registered in India. From the returns collected from ports of registry in 1915 it appears that in that year, with the exception of 10 small steamships with an aggregate tonnage of less than 2,500 tons, the only ships registered in India under Act X of 1841 were sailing ships. It is possible that employment on a sailing ship might reasonably be held to come within the second of the two criteria suggested in the preceding paragraph of this letter, and if it be practicable to apply the Act such sailors should be protected. But the Government of India are inclined to doubt whether the Act should be applied to seamen serving on sailing ships. Many of these ships are very small (the average tonnage of the 727 ships registered in 1915 being less than 100 tons) and it is probable that many of them are mere fishing craft. If sailing vessels are excluded, only seamen serving on the few steamships registered under Act X of 1841 will be eligible for the benefit of the Act,

unless indeed the Act is applied to service on the numerous tugs, motor-boats and steam launches which ply in ports and harbours. It will be seen that the question is one which will largely turn on the experience of maritime Local Governments. Similar difficulties arise in respect of seamen serving on inland water vessels. It will generally be held impracticable, it is thought, to apply the Act to service on the small country boats, lighters and sailing craft, which ply on inland waters, and if the Act is applied at all to inland seamen, it is thought that it should be applied only to service on vessels coming within the operation of the Inland Steam Vessels Act. The difficulty here is that the expression "Inland steam vessel" covers so large a variety of ships. It includes steam vessels of all types from small electric launches and motor vessels to the large steamers which ply on the Irrawaddy and the Ganges.

8. The list of occupations given in the preceding paragraphs might be enlarged with advantage. Possible additions are the building trades and telegraph and telephone services. It is desirable, too, to include all persons engaged in dangerous or unhealthy occupations which do not come under the classes named above. I am to invite the particular attention of the local Government to the question of the classes to be included and of their definition.

9. I am now to deal with the question of the conditions which should govern the grant of compensation. The English Act includes "personal injury by accident arising out of and in the course of employment." It also includes diseases "due to the nature of" the employment and specified in a schedule. The phrase "arising out of and in the course of emyloyment" has been copied in a large number of Dominion and American Acts. It has given rise to an unusual amount of litigation in England and elsewhere. But a departmental committee, which met in England in 1920 to consider possible improvements in the English Act and system, was opposed to any alteration in the phrasing of the Act in this respect. The meaning of the phrases quoted above has been made clear by a large body of case law and the Government of India think that it will be difficult to adopt a different phraseology in the Indian enactment. As regards exceptions, these should, of course, include intentional injury. They might also include injuries due to the "serious and wilful mis-

conduct on the employee," as in England and elsewhere, and injuries resulting from intoxication. But as the multiplication of exceptions involves an increase of litigation to the disadvantage of the employee, the Government of India think that the exceptions should be as few as possible. I am to invite the opinion of the Local Government on this question.

10. The Act should apply in the case of fatal injuries, and all injuries that are not trivial. The definition of these might follow the definition of grievous hurt in the Indian Penal Code. This would have to be supplemented by the inclusion of diseases and injuries which involve no definite period of complete incapacity but which result in permanent partial disablement (*e. g.* Hernia).

11. The Government of India think that the whole of the cost, for the time being at any rate, must fall on the employer. The only alternative to this is a contributory system of State insurance similar to those adopted in certain continental countries, and this is at present out of the question in India. It will be necessary to prohibit "contracting out" (*i. e.*, the practice by which workmen can contract themselves out of the benefits of the Act). There appears to be no sound reason for preventing the employers from insuring their risks. It is true that, if insurance were prohibited, employers would be much more careful to prevent accidents than if they paid a flat rate to an insurance company. But insurance companies will naturally scrutinize the safety precautions before granting policies, and a serious accident, if uninsured, might prove the ruin of a small employer.

12. The question of the scale on which compensation should be paid is one of considerable difficulty. In some of the existing Acts in other countries, *e. g.*, Great Britain, the scale of compensation has a considerable measure of elasticity. A fairly wide discretion is left to the adjudicating authority to adjust the compensation in any particular case to the merits of the case. In other Acts, and more especially those in force in the majority of the United States of America the scale is as rigid as possible. The compensation payable depends strictly upon the injuries received and on the wages of the man injured, and an attempt is usually made to prescribe for the commoner injuries fixed amounts of compensation which cannot be varied in any circum-

stances. With an elastic scale of compensation it is possible for the competent authority to consider the circumstances of any particular case and to fix the compensation with regard to the merits and needs of that case. It is obvious that similar injuries do not always involve similar loss of hardship, *e.g.*, the loss of a left hand might render one man quite unable to pursue the occupation he had previously followed whereas to another it might mean little more than personal inconvenience. Also with an elastic scale the deciding authority can have regard to various factors such as the age and circumstances of the person injured, or his share in the responsibility for the accident. But the Government of India think that these advantages are more than outweighed by the disadvantages attaching to an elastic scale. Such a scale acts as a direct incitement to discord and litigation. It diminishes very greatly the sense of security which it is one of the main objects of the Act to create. And the divergencies which are bound to occur between case and case and between tribunal and tribunal would give rise to bitterness of feeling among both parties and to distrust of the administering authority. A rigid scale will often act arbitrarily. But it enables each party to determine, in the great majority of cases, without reference to any authority, the compensation which is due and is thus likely to act more smoothly and more economically. The Government of India think that these considerations have special force in India where few working men have the knowledge or the resources required to contest disputes. If this conclusion is accepted, an endeavour should be made to frame fair and equitable schedules. In the following paragraphs a suggested scale is outlined, and I am to invite the criticisms of the local Government on it.

13. Schedules of compensation are almost invariably based upon the wages received by the injured man at or shortly before the time of the injury. Such a basis automatically provides the adjustments necessary to make the compensation payable suit the circumstances of the persons to be compensated. Experience has shown, moreover, that even in countries where customs and conditions favour the profitable investment of savings, a greater economic benefit results from a continuing series of payments than is provided by the award of lump sums. Compensation should therefore take the form of a series of periodical payments based

upon the wages received by the person injured and determined by the injuries sustained.

14. The object of an Act of the type contemplated is not so much the provision of facilities for the recovery of damages due for a civil injury as the mitigation of the hardship resulting from disablement in industries. Compensation therefore should be, and in other countries usually is, regulated by the above principle. Consequently, in determining the compensation that should be paid for fatal accidents the chief factor is the number and relationships of the dependents of the deceased person. I am to suggest that, in such cases, compensation should take the form of (*a*) a specified sum, *e.g.*, two months' wages, to cover the funeral expenses of the deceased with (*b*) in cases where dependents survive, the payment for a specified and uniform period of a percentage of the deceased's wages regulated by the dependents surviving. It will probably be wise to limit the dependents to widows, legitimate children and parents as the introduction of other relatives would certainly lead to fraudulent claims and numerous disputes. Children might be defined as persons under the age of 15 years, which it is now proposed to adopt as the upper limit of age for children under the Factories Act. As regards the period of payment the Government of India consider that 5 years would be suitable. A table of percentages fixed according to dependents will be found in Schedule I. To take an example, if the above suggestions are adopted and a man is killed leaving a widow and two children of 9 and 12 years, the widow will receive a lump sum equivalent to two months of her husband's wage's together with a regular payment equivalent to 45 per cent. of the husband's wages until the elder child riches 15 years of age. Thereafter the regular payment will be 40 per cent. of the deceased's wages until 5 years have passed since the date of his death. Where death occurs a long time after the accident which caused it, it will probably be necessary to make some allowance for compensation for disability already paid, by shortening the period during which compensation for death is payable.

15. In the case of disability, the Government of India propose to follow a large number of American Acts, and to allow a fixed percentage of wages for a specified period. For total disability I am to suggest that half wages should be paid during the continuance

of such disability subject to a maximum of 8 years. The payment for permanent total disability would thus be greater than the maximum possible amount payable for a fatal accident. But there is obviously nothing illogical in this, and, indeed, it may be questioned if the payment proposed should not be enhanced where the disability is such that the injured man requires an attendant, *e.g.*, in the case of complete loss of eyesight. Payment for partial disability should be so fixed as to bear a proportion to the payment for total disability similar to the ratio between the loss of earning capacity in the two cases. Where the injury is of a clearly defined type, *e.g.*, the loss of a limb, it is not difficult to fix by schedule the amount of compensation payable. Logically, this should take the form of a payment based on the payment for total disability and representing a percentage of it, and continuing for the full period (a period of 8 years is suggested) during which payment is to be made for total disability. It has been found preferable in practice to express it rather in the form of the same periodical sum as that paid for total disability, but to reduce the period to suit the injury. To take an example, the loss of an arm may be regarded as giving rise to a 50 per cent. disability, *i.e.*, it is supposed to reduce the wage earning capacity of the average worker by 50 per cent. The compensation payable for complete permanent disability is 50 per cent. of wages for 8 years. The compensation payable for the loss of an arm should therefore be 25 per cent. of wages for 8 years. But it is more convenient to express this as 50 per cent. of wages for 4 years. Such a method avoids the introduction of a series of trifling payments over a very long period and is in the nature of a compromise between that system and the payment of a lump sum. In the case of an injury regarded as creating a 5 per cent. disability it would obviously be most inconvenient to prescribe payment of 2½ per cent. of wages regularly for eight years and it is much simpler to pay 50 per cent. of wages for a few months, and quite as equitable. In Schedule II attached to this letter a table of periods for specific injuries is given. The period shown opposite any particular injury is the period for which it is proposed to prescribe the payment of half wages on account of that injury.

16. It is obviously impossible to bring all injuries within such a schedule. For injuries not falling within this schedule, payment should be based on the same

principle, *i.e.*, the competent authority should determine the percentage of wage earning capacity lost and express the compensation as a similar percentage of the compensation payable for complete permanent disability. In most of the cases now contemplated it will not be possible to allow for the comparative loss sustained by varying the period instead of the amount of the payments for it will frequently be difficult to determine at once whether the injury is likely to be permanent or not. Power might be given to the competent authority to express the compensation in larger sums over a shorter period where—

(*a*) the parties agree to this course, or

(*b*) it is proved that the injury is permanent. In this connection the possibility of varying the amount of compensation on account of subsequent increase or decrease in earning capacity due to the development of the injury should also be borne in mind.

17. The case of injuries to minors requires special consideration. Where a child is totally disabled owing to a factory accident, the loss sustained is more serious than that caused by a similar accident to an older employee. But, if compensation were paid on the scale suggested above, the amount payable would be very small, and in most cases insufficient even for bare subsistence. I am to suggest therefore that compensation for injuries to minors should be fixed on a scale based on full wages and not on half wages, *i.e.*, that it should be double the corresponding compensation for adults. Compensation to dependents on the other hand might be given in the case of adults only.

18. The possibility of requiring employers to provide medical and surgical aid in the case of accidents should also be considered. Some of the statutes in force in other countries secure for the workmen free medical and surgical attendance during disability. The choice of the medical attendant in such cases usually rests with the employer, and a clause is sometimes added by which the employee is deprived of all compensation if he refuses or wilfully neglects to take advantage of the facilities provided by the employer. It is obviously in the employer's interest that injured workmen should receive the best medical care that can be provided; in many cases prompt medical attendance reduces very greatly the effects of an accident that would otherwise

produce serious and lasting effects. It is clear that the choice of the medical attendant cannot be left to the employee if it is the employer who has to pay. Quite apart from the grave administrative difficulties that are involved in such an arrangement, it is inequitable that an employer should be asked to provide payment for treatment which he is powerless to control and which might result in increasing the bill he has to pay for compensation. To compel employers to provide medical attendance would probably excite considerable opposition, not only from the smaller employers whose expenses would be extremely heavy, but also from a considerable proportion of employees, who would object to undergoing the treatment prescribed. At the same time the Government of India think that it is desirable that employers who are willing to provide medical attendance should be encouraged to do so, and that it is unreasonable to ask an employer to pay compensation for results which medical attention could have prevented, when he was anxious to supply that attention. I am therefore to suggest that where an employer offers to provide free qualified medical and surgical attention and that offer is not accepted, the employee should be debarred from claiming any compensation. Many leading employers already provide free medical aid. The proposal should encourage others to follow their example and should also minimize the injuries resulting from accidents.

19. There remains lastly the question of the administration of the Act. However well-constructed the Statute may be, there will be many cases that cannot be settled without reference to some tribunal. And it will be necessary to set up and maintain machinery for enforcing the Act. In England both these functions are exercised by the ordinary Civil Courts, elsewhere it is more usual to have a special authority. There are two distinct advantages in making use of existing Courts. In the first place, the questions of law arising out of an Act of this type are frequently intricate, and it is essential that the deciding authority should have some judicial experience. Secondly, it is important that workmen making claims for compensation should not be compelled to travel long distances to place their cases before the tribunal concerned, and it is clearly impossible for Government to set up even one special tribunal in every district. On the other hand, procedure in the Civil Courts is both intricate and expensive, and, under ordinary conditions, it might happen that many working men who

were entitled to compensation would find themselves unable to face the litigation involved. Even when they had obtained a decree they might be unable to enforce it, as it would obviously be unprofitable to institute a series of execution proceedings for small weekly payments against their employer if he paid irregularly or refused to pay. So that if the Civil Courts were entrusted with the decision of the cases, it will probably be essential to adopt some simpler form of procedure than that used for ordinary cases. It may be necessary to grant summary powers and to limit the jurisdiction to Judges of status not lower than that of a District Judge. It may also be desirable to follow the English law in regard to declaring that decisions on facts given by the original court will be final, and that a right of appeal will lie only on questions of law.

20. Another alternative to the decision of the cases by the Civil Courts or by special tribunals is the entrusting of these cases to Magistrates or to Revenue Officers. Some such procedure as that at present in use in maintenance cases under the Criminal Procedure Code might be adopted, though it would, of course, be made clear that proceedings under a Workmen's Compensation Act had nothing of a criminal nature, and the procedure to be followed should be specially laid down in the Act. The objection to this course is that the points of law involved will often be difficult, and it is undesirable that officers of the standing of Magistrates should be entrusted with suits that may involve considerable sums of money. In view of these objections, the Government of India are not disposed at present to adopt this alternative. In very large industrial centres it may, however, be necessary to have full-time tribunals and the presiding officers could then be specially selected.

21. It may be necessary to provide for the imposition of special penalties where an employer has deliberately evaded his liabilities under the Act. Such fines would be imposed only in clear cases, *i. e.*, where compensation was manifestly due and where the employer had declined to pay it until a case was brought in court, or where an employer who had admitted a claim for compensation had withheld regular payment. In all probability it will seldom be necessary to impose such penalties, but their existence will be a most valuable deterrent to litigation, and to evasion, of the Act. Such penalties would be imposed by the tribunal awarding compensation or executing an order for compensation.

22. To sum up, the Government of India request the views of local Governments on the following points :—

(1) Is it desirable to affirm in general terms the principle of employers' liability ?

(2) If so, should the necessary legislation follow the English Employers Liability Act of 1880 and the Workmen's Compensation Act of 1906?

(3) Should there be provision for compensatory benefits and should this be limited to industrial workers ?

(4) What provisions should regulate the inclusion of workers in—
   (*a*) Factories,
   (*b*) Mines,
   (*c*) Railways,
   (*d*) Ships,
   (*e*) Docks ?

(5) Is the principle of limitation to manual workers as a general rule approved ?

(6) Should the compensatory provisions cover—
   (*a*) Building trades,
   (*b*) Telegraph, and telephone services ?

(7) What further classes should be included ; are there any dangerous or unhealthy trades for which provision should be specially made ?

(8) What should be the necessary circumstances antecedent to the injury to bring it within the scope of the Act ?

(9) What exceptions should be made in this connection ?

(10) For what injuries should compensation be provided ?

(11) How should the cost of compensation be met ?

(12) What type of scales should be adopted for compensation ?

(13) Should the award of lump sums be avoided ?

(14) Are the scales suggested suitable ?

(15) Is the principle of special scales for minors approved ?

(16) Should refusal to receive medical attention debar an employee from claiming compensation ?

(17) How should the Act be administered ?

(18) Should special penalties be provided for deliberate evasion of the Act ?

The above questions are not intended to be exhaustive and the Government of India will welcome all suggestions and criticisms. They desire that this letter should receive wide publicity and that ample opportunity should be given to employers and employed for expressing their opinions before the views of the local Government are formulated. At the same time I am to say that the Government of India consider that legislation on this subject should be introduced not later than the early spring of 1922, and I am to request that a reply may be sent before the end of October 1921—I have etc.

A. C. CHATTERJEE,
Secretary to the Government of India.

APPENDIX I (Paragraph 4).

Extracts from Employers' Liability Act, 1880.

Section 1—Where *after the commencement of this Act* personal injury is caused to a workman—

(1) by reason of any defect in the condition of the ways, works, machinery, or plant connected with or used in the business of the employer ; or

(2) by reason of the negligence of any person in the service of the employer who has any superintendence entrusted to him whilst in the exercise of such superintendence ; or

(3) by reason of the negligence of any person in the service of the employer to whose orders or directions the workman at the time of the injury was bound to conform, and did conform, where such injury resulted from his having so conformed ; or

(4) by reason of the act or omission of any person in the service of employer, done or made in

obedience to the rules or bye-laws of the employer, or in obedience to particular instructions given by any person delegated with the authority of the employer in that behalf ; or

(4) by reason of the negligence of any person in the service of the employer who has the charge or control of any signal, points, locomotive engine, or train upon a railway,

the workman, or in case the injury results in death, the legal personal representatives of the workman, and any persons entitled in case of death, shall have the same right of compensation and remedies against the employer as if the workman had not been a workman of nor in the service of the employer, nor engaged in his work.

Section 2—A workman shall not be entitled under this Act to any right of compensation or remedy against the employer in any of the following cases; that is to say,—

(1) Under sub-section 1 of section 1, unless the defect therein mentioned arose from, or had not been discovered or remedied owing to the negligence of the employer, or of some person in the service of the employer, and entrusted by him with the duty of seeing that the ways, works, machinery, or plant were in proper condition.

(2) Under sub-section 4 of section 1, unless the injury resulted from some impropriety or defect in the rules, bye-laws, or instructions therein mentioned; provided that where a rule or bye-law has been approved or has been accepted as a proper rule or bye-law by one of Her Majesty's Principal Secretaries of State, or by the Board of Trade, or by virtue of any Act of Parliament, it shall not be deemed for the purposes of this Act to be an improper or defective rule or bye-law.

(3) In any case where the workman knew of the defect or negligence which caused his injury, and failed within a reasonable time to give, or cause to be given, information thereof to the employer or some person superior to himself in the service of the employer, unless he was aware that the employer or such superior already knew of the said defect or negligence.

APPENDIX II (Paragraph 5).

Persons injured in industrial accidents, 1915—1919.

Year.	Fatal.				Serious.				Minor*
	Mines.	Railways.	Factories.	Total.	Mines.	Railways.	Factories.	Total.	Factories only.
1915 ...	188	19	115	322	272	109	923	1,304	4,414
1916 ...	206	23	169	398	297	138	1,098	1,533	3,956
1917 ...	201	40	144	385	305	206	887	1,398	3,961
1918 ...	243	23	180	446	322	150	1,108	1,580	3,775
1919 ...	312	49	145	506	372	223	957	1,552	4,321

* Minor accidents are for factories only. Details are not kept in the case of Railways and Mines.

SCHEDULE I (Paragraph 14).

Proposed percentage of wages as determined by surviving dependents.

Dependents.	Percentage.
Widow	30
Widow and 1 child	40
Widow and 2 children	45
Widow and 3 or more children ...	50
Children of widow or widower killed—	
1 child	15
2 children	25
More than 2 children	30
Parents, each	10

Provided that payment to parents shall not be greater than the difference between payments to other dependents and 50 per cent. of wages.

SCHEDULE II (Paragraph 15).

Periods for which the payment of half wages for certain specified injuries is proposed.

Specified injury.	Period of payments.
Loss of—	Months.
Arm above elbow	48
Arm below elbow	42
Thumb	12
Phalanx of thumb	9
Index finger	9
2 phalanxes of index finger ...	7
1 phalanx of index finger... ...	5
Other fingers	4
2 phalanxes of others finger ...	3
Leg above knee	42
Leg below knee	36
All toes	12
Great toe	4
Sight of one eye...	24
Hearing of one ear	12
Hearing of both ears	36

No. 2098-242.

Chamber of Commerce,
Bombay, 24th November 1921.

The Deputy Secretary to the Government of Bombay,
General Department,
Bombay.

Sir,—I am directed to acknowledge receipt of your letter, No. 264-D, dated the 3rd October 1921, and its accompaniments, with regard to the proposed legislation for the provision of compensation to workmen for injuries received by them in the course of their employment. For purposes of convenience my Committee desire to follow closely the lines of the questionnaire contained in paragraph *22* of the letter from the Government of India which forms the subject of the present reference, and to deal with principles as they appear to be appropriate to the several questions.

2. I am, therefore, to reply as follows to the questions set out in the abovementioned paragraph :—

(1) Yes.

(2) My Committee are of opinion that it is only possible to follow the principles of the English Acts after very careful consideration of Indian conditions.

(3,4,5,6) My Committee consider that provision for compensatory benefits should be limited to manual labourers in the industrial works specified in questions 4 and 6.

They do not feel competent to express any opinion on the special provisions suitable to different classes of labourers.

I am, however, here to draw the attention of Government to the common practice in many large works of employing labour supplied by a contractor for a special task, often in return for the payment of a lump sum, and to say that special provision appears to be necessary to deal with this practice which is little, if at all, prevalent in the larger English workshops.

(7) Special provision should be made for dangerous and unhealthy trades, but my Committee are not in possession of any information on this subject.

(8) Compensation should only be allowed in cases where the employee has come under the orders of his employer, however such a position may be defined, and exceptions should be made in the case of employees injured through their own wilful misconduct, neglect of orders or subjection to drink or drugs.

(9) In connection with this question I am to suggest that the utmost care should be taken in drafting the Act to define the issues. The interpretation of the English Act depends already on an enormous bulk of case law, as all important judgments have been carried up to the House of Lords, and my Committee, in their desire to check litigation, are anxious that the Indian Act should, as far as possible, define and follow the principles laid down in the leading cases on the subject in England.

(10) Injuries involving medical attention, *and* stoppage of full pay for more than a week.

It appears to my Committee to be desirable to define the issue as the stoppage of full pay rather than as absence from work, because it is, in fact, the practice of most employers to continue to give full pay in the case of most minor injuries, both while the workers are receiving medical attendance, and also on their return to work. In this country it is impossible to trace the movements of a labourer who may elect to take up similar work elsewhere, and my Committee consider that the employer's offer of full pay for the period laid down in Schedule II should be a good defence against any claim for compensation for minor injuries.

I am further to add that my Committee have grave doubts as to the possibility of including, under the head of injuries, the result of diseases, such as Hernia, as is apparently contemplated is Para 19. They are aware that in certain circumstances such injuries have been held to be within the law in England; but in this country, where weaknesses both of the abdominal wall and the spleen are almost universal, it appears advisable in the interests of both employer and employee that injuries of such a nature should be definitely excluded from the Act. To attempt to guard against them involves frequent medical examinations which are most offensive to the labourer and for which a large medical staff is necessary.

(11) My Committee can see no alternative, at present, to the suggestion that the cost of compensation should be borne by the employer, subject to his right of insuring the risk.

(12) Payments at the rate of half pay for a specified time or full pay, where this does not exceed Rs. 20 per mensem.

(13) Wherever possible; at the same time I am to draw the attention of Government to the very great difficulty of making monthly payments, particularly to dependents after death, a difficulty which is intensified, in the case of many castes, by unwillingness to name a next-of-kin. Provision should be made in the Act to protect the employer against any duplication of claims.

(14) My Committee are of opinion that the scale suggested is generally suitable; but the award for minor injuries (fingers &c.), which do not in any way incapacitate the worker, appears to be altogether too high.

(15) Yes, if by minors is meant children under 15; otherwise this question appears to be answered by the reply to question 12.

(16) Yes.

(17) The appointment of tribunals would seem to be infinitely preferable to the decision of the cases by the Civil Courts. At the same time every effort should be made to draft the Act in such a way, as suggested in the reply to question 9, as to make every case, as far as possible, a question of fact and not of law.

(18) Yes, but only in very clear cases. It is not clear to my Committee from the Government of India's letter as to how evasion is to be proved. Paragraph 21 of the letter suggests that a charge of evasion arises "where compensation is manifestly due, and where the employer declines to pay until a case is brought into Court". In view of the very different opinions that have been held by the highest legal authorities in England, it appears to my Committee that it is impossible to define the point at which compensation is manifestly due, and my Committee would prefer to see such cases met by provision for the award of costs on an unusually high basis rather than by rendering the employer liable to penalties on the ground of evasion.— I have etc.,

C. B. SAYER,
Secretary.

No. 2111-242

Chamber of Commerce,
Bombay, 25th November 1921.

The Secretary to the Government of India,
Department of Industries,
Delhi.

Sir.—I am directed to forward herewith, for the information of the Government of India in your Department,

the attached copy of a letter which my Committee have addressed to the Government of Bombay in connection with the proposed legislation for the provision of compensation to workmen for injuries received by them in the course of their employment.—I have etc.,

C. B. SAYER,
Secretary.

APPENDIX H-5.

REGISTRATION AND PROTECTION OF TRADE UNIONS IN INDIA.

No. 1267-Poll.

Home Department (Political),
Bombay, 1st October 1921.

The Chairman, Chamber of Commerce,
Bombay.

Sir,—I am directed by the Governor in Council to forward herewith a copy of a letter No. L.-925, dated the 12th September 1921, from the Government of India, Department of Industries, regarding legislation for the registration and protection of Trade Unions in India. His Excellency would be glad to have the opinion of your Chamber on the subject, which I am to request you will be so good as to forward to me, through the Director, Labour Office, Secretariat, Bombay, by the 20th October 1921 at the latest.—I have, etc.,

S. N. ZIMAN,
Secretary to the Government of Bombay.

No. L.-925.

Government of India,
Department of Industries, (Labour),
Simla, the 12th September 1921.

All Local Governments and Administrations.

Sir,—I am directed to address you regarding legislation on the subject of Trade Unions. On the 1st March 1921

Mr. N. M. Joshi, M.L.A., moved in the Legislative Assembly the following Resolution:—

> 'This Assembly recommends to the Governor General in Council that he should take steps to introduce, at an early date, in the Indian Legislature, such legislation as may be necessary for the registration of trade unions and for the protection of trade unionists and trade union officials from civil and criminal liability for *bona fide* trade union activities.'

After an instructive debate the Resolution was amended so as to read as follows:—

> 'This Assembly recommends to the Governor General in Council that he should take steps to introduce, as soon as practicable, in the Indian Legislature, such legislation as may be necessary for the registration of trade unions and for the protection of trade unions.'

In this form it was accepted by the Hon'ble Sir Thomas Holland on behalf of the Government of India and it was adopted by the Assembly without a division. A copy of the report of the proceedings in the Legislative Assembly on the Resolution is appended to this letter (Appendix I).

2. The number of so-called trade unions in India is now considerable, and is increasing. A few of them have written constitutions and keep regular accounts, and, except that they do not, as a rule, pay the sick and unemployment benefits paid by all the big English unions, they approximate in form and methods to the British models. But the great majority are loose organisations. They have frequently no definite constitution; they publish no accounts; their officers have no assigned functions; even the objects of the union are unstated in some cases. Many are little more than strike committees, formed to promote or carry on a strike, and ceasing to function after the strike has ended. Such organisations bear little resemblance to trade unions in the usually accepted meaning of the term. But, in so far as the movement makes for the organisation of labour, and for the steady betterment of the conditions of labour by efforts from within, it is clear that every facility should be offered for its development along healthy lines. The Government of India believe that if the unions that are now being formed are enabled and encouraged to define their objects, their methods and their organisation, a step will be taken in the right direction.

3. The desirability, in the interests of the workmen who join a trade union, of the registration of that union, can scarcely be disputed. Persons entrusted with considerable sums of money by illiterate persons, and never called to account for these sums, are liable to much temptation, and there are dangers that they may prove unequal to it. This is only one of several obvious dangers in the growth of a large number of important and possibly powerful organisations, which stand outside the civil law of the country. By registration, trade unionists would obtain for their unions the right to sue and the right to control their officers and their funds, and, further, they would have, a recognised status and position in the eyes of industrialists and the public. That full recognition by employers would follow in every case is unlikely, and in the opinion of the Government of India it is neither desirable nor possible to compel employers to recognise all unions. But much of the present reluctance of employers to treat with the existing organisation is due to the fact that these organisations have none of the responsibility attaching to properly registered bodies, and frequently represent little more than the aims of third parties, whose motives are not always disinterested, If a trade union could show that it was a genuine combination of workers, formed not with the express object of creating discord, but with the object of advancing the prosperity of those workers by all legal means, much of this reluctance would disappear. And without some form of registration, it is difficult for a trade union to assert its genuineness, and to substantiate the claims it makes to represent any section of the workers in a factory or an industry.

4. One of the questions that was raised during the debate in the Legislative Assembly was whether trade unions could be registered under existing Indian law. The Government of India are advised that it would be extending the scope of the Indian Companies Act (VII of 1913) beyond its well recognised limits to bring trade unions under it. Even if they could be registered under this Act, it would not be possible to provide proper safeguards for all their legitimate activities for which special legislation has been considered necessary in the United Kingdom and other countries.

5. After preliminary consideration, the Government of India have arrived at the following tentative conclusions regarding the lines on which legislation should be

undertaken for the registration and protection of trade unions. I am to invite the opinion of the local Government on these proposals.

6. *The definition of a Trade Union.*—The definition of a Trade Union in the English statute of 1871 was amended by the statute of 1876 and now stands as below:—

> "The term 'trade union' means any combination, whether temporary or permanent, for regulating the relations between workmen and masters, or between workmen and workmen, or between masters and masters, or for imposing restrictive conditions on the conduct of any trade or business, whether such combination would or would not, if the principal Act, (*i.e.*, the Act of 1871) had not been passed, have been deemed to have been an unlawful combination by reason of some one or more of its purposes being in restraint of trade.

"Provided that this Act shall not affect:—

(1) any agreement between partners as to their own business;

(2) any agreement between an employer and those employed by him as to such employment;

(3) any agreement in consideration of the sale of the good will of a business or of instruction in any profession, trade or handicraft."

It is probable that the original definition of a trade union given in the Act of 1871 was widened in 1876 in order that benevolent purposes might be included amongst the objects of a trade union. The English statute of 1913 gives a further definition of a trade union in the following terms:—

> "2 (1) The expression 'trade union' for the purpose of the Trade Union Acts, 1871 to 1906, and this Act, means any combination, whether temporary or permanent, the principal objects of which are under its constitution statutory objects:—Provided that any combination which is for the time being registered as a trade union shall be deemed to be a trade union as defined by this Act so long as it continues to be so registered."

The Government of India are of the opinion that in Indian legislation there should be a definition corresponding to the definition given in the English statute of 1876, and that it should be also clearly stated that benevolent and similar purposes are included within the scope of trade union activities. The provision that will be made in the contemplated legislation with regard to the registration of unions will help to make the definition more precise.

7. It has been suggested that in the contemplated legislation it will be desirable, besides giving a general definition of the term "trade union," to provide a specific list of the aims and objects of trade unions ; such as—

(*a*) the regulation of wages, allowances or remuneration of workers employed or usually employed or to be employed in any industry ;

(*b*) the regulation of hours of employment, sex, age, qualification or status of workers, and the mode, terms and conditions of employment ;

(*c*) matters relating to any established custom or usage of any trade or industry affecting the union concerned ;

(*d*) the provision of benefits to members and the right to utilize the funds of the unions for political purposes on conditions equivalent to those prescribed in the English Act of 1913.

The objection to a specific enumeration of the legitimate aims and objects of trade unions in the definition is that the definition will become inelastic and will not leave sufficient freedom to Courts to interpret the law in accordance with the development of the movement. Government of India will be glad to receive the opinion of local Governments on this particular point.

8. It has been mentioned above that political objects should be recognized amongst the activities of trade unions. In England this aspect of the question is dealt with in the statute of 1913. Section 3 of this Act provides :—

(1) that trade union funds cannot be used for political purposes unless the union, by a ballot, as prescribed in the Act, approves by a majority of the members voting ;

(2) that where such political purposes are approved, payments towards them must be made out of a separate fund ;

(3) that any member may object to pay for such purposes, and claim exemption on a prescribed form, and that such member shall not be excluded from union benefits, or in any other way adversely affected because of his action, and that contribution to a political fund shall not be made a condition for admission to the union ;

(4) that aggrieved members have provision for redress ;

This Section authorises the expenditure of money on the following political objects :—

(*a*) the payment of any expenses incurred either directly or indirectly by a candidate or prospective candidate for election to Parliament or to any public office before, during or after the election in connection with his candidature or election ; or

(*b*) the holding of any meeting or the distribution of any literature or documents in support of any such candidate or prospective candidate ; or

(*c*) the maintenance of any person who is a member of parliament or who holds a public office ; or

(*d*) the registration of electors or the selection of a candidate for parliament or any public office ; or

(*e*) the holding of political meetings and the distribution of political literature or political documents of any kind, in cases where the main purpose of the meetings or of the distribution of the literature or documents is the furtherance of statutory objects within the meaning of this Act.

This section has been borrowed in Australia, *e.g.*, in section 52-A of the New South Wales Act of 1912, as amended in 1918. The New South Wales Act empowers unions to support a political newspaper.

It seems to the Government of India that the principle of this provision may be accepted in India so as to cover elections to the Central and Provincial Legislatures, and to municipal and other local bodies which have the power to raise money. They are also ready to adopt the other provisions of the Act, namely, (*a*) that the political fund be kept separate from other funds ; (*b*) that members of unions who object to contribute towards political objects be exempted on signing an exemption form

which may be given as a schedule to the Act, and (*c*) that the members be placed under no disability for non-contribution, and that contribution should not be a condition of admission.

9. *Protection of Trade Unions.*—The main provision in England on this point is embodied in secton 2 of the statute of 1871, which says that "the purposes of any trade union shall not, by reason merely that they are in restraint of trade be deemed to be unlawful, so as to render any member of such trade union liable to criminal prosecution for conspiracy or otherwise." The Indian law in regard to restraint of trade is contained in section 27 of the Indian Contract Act, and is not exactly the same as the English law. Section 27 of the Indian Contract Act uses very wide language and lays down that " every agreement by which any one is restrained from exercising a lawful profession, trade or business of any kind, is to that extent void." The Government of India are inclined to the opinion that in the proposed Bill it should be declared that section 27 of the Indian Contract Act will not apply to registered trade unions. They are at the same time disposed to adopt in their entirety the principles embodied in sections 2, 3 and 4 of the statute of 1871 which are for the sake of convenience reproduced in Appendix II to this letter. It is true that these sections of the English statute have given rise to some difficulties in interpretation, and it, therefore, seems to the Government of India that in the proposed Indian legislation it may be advisable to specify the nature of the agreements that have been accepted in English case law as falling withing the principles embodied in the statute.

10. The law in England definitely excludes any interference by the Courts with the internal management of unions ; on the other hand the Australian legislation brings the domestic affairs of trade unions under the law. The Government of India are of the opinion that in this respect we should follow the English precedent.

11. In this connection a brief reference may be made to the question of the recognition of strikes. If the principle of section 2 of the English Act of 1871 is adopted, strikes will become legal. The Government of India do not wish at present to include in the Act relating to trade unions any other provisions regulating strikes. The question is being considered separately in different provinces in connection with the procedure for

conciliation and arbitration. The Government of India have collected a considerable volume of information regarding such procedure in other countries and hope to publish the information at an early date. They would await the result of the measures that have been adopted or are in contemplation in different provinces on this subject before deciding whether any specific legislation is needed with regard to strikes and the procedure of conciliation and arbitration.

12. *Trade Union Funds.*—The English law on the subject may be summarized thus :—

(1) Trade Union funds are subject generally to the ordinary laws regulating trust funds.

(2) The Trade Union Acts make special provision for trade union funds in certain cases :—

(*a*) A registered trade union and each branch of a trade union may acquire and hold land to a certain extent and, if necessary, may sell, exchange, mortgage, etc., (section 7 of 1876 Act).

(*b*) The real and personal property of a registered trade union is vested in the trustees of the union and the property of a branch may be vested in the branch trustees or if the union rules so provide, in the union trustees, in the case of a change of trustees, property consisting of stocks and securities must be transferred to the new trustees but no new assignment or conveyance is necessary for other property; (section 8 of the Act of 1871, as amended by the Act of 1876).

(*c*) Certain provisions are inserted for cases of the bankruptcy, lunacy, death or removal from office of trustees (section 4, Trade Union Act, 1876).

(3) It has been ruled that the trustees of a trade union need not be members of the union.

(4) Actions and other proceedings regarding trade union property may be brought or defended either by the trustees or by any other officer of the union as authorised by the rules (section 9, 1876 Act). Their liability is limited, in case of the contemplation or furtherance of a trade dispute, by section 4 (2) of the Trade Disputes Act.

(5) The liability of trustees is limited (section 10, 1871 Act).

(6) Union officials must render duly audited accounts, etc., to the union (section 11, 1871 Act).

(7) Unions are protected against fraud by their own members, officials or others (section 12, 1876 Act).

(8) It seems that, in the case of a dispute between a trade union and its branch in regard to branch property, an action may be brought under section 9 against the branch trustees for recovery of the property, and by the rules of the union it may be possible for a trade union to prevent a misapplication of branch funds by a branch.

(9) Under the present law it also seems possible for a member of a trade union to restrain misapplication of funds where the trustees will not do so.

(10) The rules of every trade union must provide for the dissolution of the union and impliedly for the disposal of union funds (section 14 of the 1876 Act).

13. The Government of India think, that with due reference to the Indian law relating to trusts and trustees, the principles enunciated above may be accepted and incorporated in the proposed law relating to trade unions.

14. In England, under the statutory rules, trade unions must make provision for the appointment of a trustee or trustees. If there were no trustees, the property of the union would have to be vested in the name of an official on behalf of the union or of the union itself. The Government of India would like to have the opinion of local Governments as to whether it is necessary that a similar provision should be made in the Indian law.

15. *Registration.*—It is hardly necessary to observe that if the principal conditions under which unions may be registered are sufficiently explicit the need for elaboration in the definition of the term 'trade union' will be obviated. The registration *ipso facto* will bring a union within the legal definition. The Government of India are of the opinion that registration in all cases should be optional, and that unregistered trade unions should not

be deemed to be illegal. Registration, however, will give a legal entity to a union with definite rights and privileges which unregistered unions will not possess. For example an unregistered union might find it difficult to obtain recognition by employers.

16. The Government of India think that the following provisions regarding registration may be included in the contemplated Bill :—

(1) the fixation of a minimum number of members who may apply for registration ;

(2) provision for the appointment of Registrars in the different provinces by the local Government ;

(3) power to make rules regarding such subjects as—

(*a*) the furnishing to the Registrar at the time of application for registration of copies of the rules of the union with a list of the designations and the names of the officers of the union ;

(*b*) where a trade union has been in operation for more than a year before the date of the application, for the furnishing of statements of receipts, funds, etc., of the union in a prescribed form ;

(*c*) the name of the union not to be identical with that of any other union ;

(*d*) issue of certificates of registry.

I am, however, to invite the opinion of the local Government as to whether these provisions should be made by rule under the statute or should be included in the statute itself with specific provisions in a schedule regarding the details that should be furnished in connection with an application for registration such as :—

(*i*) the name of the trade union and place of meeting for the business of the trade union ;

(*ii*) the objects and purposes of the union, the conditions under which the members of the union may benefit from the funds of the union and the fines and forfeitures on members of the union ;

(*iii*) the manner of amending or rescinding the rules ;

(*iv*) a provision for the appointment and removal of a general committee of management, of a trustee or trustees, treasurer and other officers ;

(*v*) a provision for the investment of the funds and for an annual audit of accounts ;

(*vi*) a provision for the inspection of the books and names of members by every person having an interest in the funds of the union.

17. In this connection, I am to observe that in the opinion of the Government of India it is desirable that any rules made under the Act should be made by the Central Government. It is probable that many unions will carry on business in more than one province, and in any case it is desirable that the law and practice on this matter should be uniform throughout India at least in the earlier stages of the movement.

18. Some other provisions relating to registration which may be usefully incorporated in the Act are stated below :—

(*a*) the rules of every trade union should contain provisions in respect of the several matters mentioned in the previous paragraphs ;

(*b*) a copy of the rules should be available to every member of a trade union on payment of a specified sum ;

(*c*) every union should have a registered office ;

(*d*) unions carrying on and intending to carry on business in more than one province should be registered in the province in which the registered office is situated ;

(*e*) a general statement of the receipts, funds and expenditure of every registered union should be transmitted to the Registrar by a specified date. With this general statement should be sent to the Registrar a copy of any alterations of rules and new rules and particulars regarding changes of officers. It may also be advisable to ask for a periodical return of the names of members ;

(*f*) there should be penal provisions for default in any of the matters specified above ;

(*g*) rules regarding the change of name of a trade union ;

(*h*) rules regarding the amalgamation of trade unions;

(*i*) rules regarding the withdrawal of the certificate of registration on application to the Registrar.

19. Under section 9 of the English Statute of 1876, minors are permitted to become members of a trade union. The Government of India are of the opinion that all persons of or above the age of 15 should be eligible to become members of trade unions.

20. *Liabilities of Trade Unions.*—The English law on the subject is contained is section 3 of the Conspiracy and Protection and Property Act of 1875 as modified by section 1 of the Trade Disputes Act of 1906. As thus amended the law reads :—

> "An agreement or combination by two or more persons to do or procure to be done any act in contemplation or furtherance of a trade dispute shall not be indicatable as a conspiracy if such act committed by one person would not be punishable as a crime.
>
> "An act done in pursuance of an agreement or combination by two or more persons shall, if done in contemplation or furtherance of a trade dispute, not be actionable unless the act, if done without any such agreement or combination, would be actionable.
>
> "Nothing in this section shall except from punishment any persons guilty of a conspiracy for which a punishment is awarded by any Act of Parliament.
>
> "Nothing in this section shall affect the law relating to riot, unlawful assembly, breach of the peace, or sedition, or any offence against the State or the Sovereign.
>
> "A 'crime' for the purposes of this section means an offence punishable on indictment, or an offence which is punishable on summary conviction, and for the commission of which the offender is liable under the statute making the offence punishable to be imprisoned either absolutely or at the discretion of the Court as an alternative for some other punishment.

"Where a person is convicted of any such agreement or combination as aforesaid to do or procure to be done an act which is punishable only on summary conviction, and is sentenced to imprisonment, the imprisonment shall not exceed three months, or such longer time, if any, as may have been prescribed by the statute for the punishment of the said act when committed by one person."

This provision of the English law may be studied along with sections 2 and 3 of the Act of 1871 which free unions from criminal and civil liability in regard to restraint of trade.

21. Section 3 of the Trade Disputes Act runs thus :—

"An act done by a person in contemplation or furtherance of a trade dispute shall not be actionable on the ground only that it induces some other person to break a contract of employment or that it is an interference with the trade, business, or employment of some other person, or with the right of some other person, to dispose of his capital of his labour as he wills."

22. The Government of India are of the opinion that the expressions "contemplation or furtherance" should be defined more precisely, and subject to this and possibly to the further limitation suggested in the last sentence of paragraph 27 below they think that there would be no objection to incorporating in the Indian law the principle embodied in the English law as set forth in paragraphs 20 and 21 above.

23. Immunity from liability for the wrongful acts of their servants was conferred on trade unions in England by section 4 of the Trade Disputes Act of 1906, which runs thus :—

"4 (1) An action against a trade union, whether of workmen or masters, or against any members or officials thereof on behalf of themselves and all other members of the trade union in respect of any tortious act alleged to have been committed by or on behalf of the trade union, shall not be entertained by any court.

(2) "Nothing in this section shall affect the liability of the trustees of a trade union to be sued

in the events provided for by the Trade Union Act, 1871, section nine, except in respect of any tortious act committed by or on behalf of the union in contemplation or in furtherance of a trade dispute."

24. The Government of India are of the opinion that under present conditions the principle of this provision cannot suitably be incorporated in the proposed Indian Law. Such trade unions as exist in India differ in important respects from the trade unions in England. While trade unions in England had behind them in 1906 a continuous existence of over a century, during the greater part of which they had been subject to some form of legislation, the Indian organizations are of extremely recent date and in view of the acts of violence and intimidation which have unfortunately characterised a large proportion of the disputes in which they have been concerned, it would be unwise in the earlier stages of their existence to exempt them unreservedly from civil liability for tortious acts. Moreover, as a reference to the debate in the Legislative Assembly will show, the value of the Trade Disputes Act in this respect has been seriously questioned by competent critics in England.

25. The main argument that has been advanced for the immunity conferred by section 4 of the Trade Disputes Act is that a trade union cannot justly be held responsible for the actions of its subordinates. It is alleged that in times of excitement, irresponsible officials are liable to go too far, and it would be unfair to saddle the union with financial responsibility for their acts. Against this it may be urged that no other body with a legal entity is free from the liability of the acts of its agents, and there is really no reason why trade unions should be free. Another argument that has been advanced in favour of legislation similar to that of section 4 of the Trade Disputes Act is that trade unions are partly benevolent in purpose, and their funds should not therefore be made liable for unlawful acts committed by subordinates. This argument may be met by a provision that a separate trust may be created for the benevolent funds of a union, or by a definite provision that the benevolent funds of a union should be exempt from liability.

26. The Government of India as at present advised are in favour of embodying in the Indian law the pro-

posals that had been originally submitted to Parliament by His Majesty's Government in 1906. The original proposals in the Trade Disputes Bill were to define the law of agency in such a way that no act could be made the ground of a claim on trade union funds, unless it was definitely proved that the governing body, as constituted by law, had sanctioned the act. It was proposed that each union should appoint an executive committee, in which was to be vested the duty of conducting all operations likely to bring the union into conflict with employers and the public. Unions or their property were not to be bound by any act unless it were the act of the executive committee, or of some person whom the executive committee authorized to act in a certain way. The executive committee could by instructions prescribe the limits within which their agents might exercise their discretion and no action would lie against the funds of the union in the event of an agent exceeding those limits. It was also proposed that the executive authority could repudiate or disapprove of any questionable act which might be brought to its notice. Where such repudiation took place with effective promptitude, trade union funds were to be exempt from liability. A similar provision was prescribed in the New South Wales Act, 1903, which declared that "no trade union or industrial union or association of employers shall be liable to any suit or action, nor shall the funds of such union or association be in any way chargeable in respect of any act or word, done, spoken, or written, through or in connection with an industrial dispute by any agent, if it be proved that such agent acted :—

(1) contrary to instructions *bona fide* given by or
(2) without the knowledge of the governing body of such union or association and that the union or association has *bona fide* and by all reasonable means repudiated the acts or words complained of at the earliest opportunity and with reasonable publicity." The Government of India as at present advised are disposed to formulate safeguards on these lines.

27. *Picketing.*—The English law on this subject is embodied in section 7 of the Conspiracy and Protection of Property Act of 1875, read with section 2 of the Trade Disputes Act of 1906. These two provisions are given in Appendix II of this letter. In this connection in India the law embodied in Chapter V of the Indian

Penal Code has to be considered. The Government of India feel that it would be most undesirable in the present stage of the labour movement in India to countenance picketing in any form. It will not be disputed that, although in the Statute of 1906, such acts as watching and besetting, the use of violence, intimidation, injury to property, following, the hiding of property or depriving the owner of its use, following in a disorderly manner in a street or road, are still unlawful in England, it would be practically impossible in India either to obtain evidence for the conviction of any person for such offences, or to impose penalties for such acts on large crowds of people who might commit them in times of excitement and disorder. The Italian law on the subject may be stated thus:—

> "Whoever, by means of violence or threats restrains or impedes in any way the liberty of industry or of commerce is punished by imprisonment for a period not exceeding 20 months, and by a fine of 100 to 3,000 lire.
>
> Whoever, by violence or threats, occasions or causes to continue a cessation or suspension of labour in order to impose either on the workmen or on the masters or employers a diminution or an increase of wages, or conditions differing from those previously agreed upon, is punished by imprisonment for a period not exceeding 20 months.
>
> Ringleaders in the offences referred to in the preceding articles are liable to terms of imprisonment varying from three months to three years, and to a fine of from 500 to 5,000 lire."

But recent events have shown that it is practically impossible to enforce these provisions. Whilst picketing undertaken by private persons without the express authority of the Union will be subject to the law embodied in Chapter V of the Indian Penal Code, the Government of India, in the interests of the organizations themselves, are inclined to the opinion that a definite responsibility should be laid on the unions or their Executive Committees for the prevention of the issue of any orders authorising picketing in any form by the members of the union. It has been suggested that the immunity of union funds that would be conferred by the provision suggested in paragraph 22 above should be limited by provisions having the effect just mentioned,

but the Government of India do not wish to commit themselves to this proposal and would be glad to have the considered views of the local Government on this question.

28. I am to request that as the subject of this letter is entirely novel in this country and as at the same time the proposals made are likely to have an important bearing on the social and industrial organization of the country, the local Government will give wide publicity to its contents. The Government of India will be glad to have the considered opinion of local Governments on the points discussed in this letter by the end of November 1921.—I have etc.,

A. C. CHATTERJEE,
Secretary to the Government of India.

APPENDIX I.

Extract from the Legislative Assembly Debates, Vol. I, No. 7.

The Assembly met in the Assembly Chamber, Imperial Secretariat, Delhi, on Tuesday, the 1st March 1921.

* * * * * *

Resolution *re* Legislation for Registration of Trade Unions.

Mr. N. M. Joshi: Sir, I beg to move that:

> 'This Assembly recommends to the Governor General in Council that he should take steps to introduce, at an early date, in the Indian Legislature, such legislation as may be necessary for the registration of trade unions and for the protection of trade unionists and trade union officials from civil and criminal liability for *bona fide* trade union activities.'

Sir, the subject-matter of my Resolution inasmuch as it concerns the status, the rights and the privileges of a large number of working classes, is very important, and deserves the serious attention of this Assembly. During the last half a century and more this country has been passing through an industrial revolution, though steadily but surely. A large number of industries and factories have grown and are growing daily. A large number of people are leaving villages and flocking to towns and cities. A large number of people, who in former times worked for themselves and as their own masters

although in humble capacities, have now been turned into wage-earners, and are working for other masters and under conditions over which they have no control. All this has made a great change in the position of the working classes, especially in their relation towards their employers. Formerly, when a labourer was in his village, he was his own master, although he may be a small cultivator or a small artisan. Now he has become a wage-earner. Moreover, even if a man in former times was a wage-earner in a village, he could settle the conditions of his work with his master individually. But now a labourer working in a large factory where there are sometimes more than one thousand men cannot settle the conditions of his work with his master individually. If he wants an increase of wages, if he wants working hours to be reduced, he cannot approach his master individually and secure what he wants. Under the present conditions, therefore, it is necessary for the working classes to secure either an increased wage or other better conditions by collective bargaining. Unless they organize themselves and make a joint demand, there is no likelihood of their getting whatever they want.

The only means by which collective bargaining becomes possible is by the workers organizing themselves into some associations which are commonly called trade unions. Some of the means of collective bargaining are these. In the first place these organizations try to secure betterment of their conditions by negotiation; but when negotiation fails, as it fails on several occasions, the trade unions have to resort to a step which amounts to withdrawal of labour, and which in common language is called a strike. Now these organizations for collective bargaining are not only found amongst the workers. The employers who are in a very strong position also organize themselves for protection, and they too are anxious to bargain with their servants collectively and not individually. It will be clearly seen that under present conditions the trade union organizations are absolutely necessary and desirable. Sir, even before the war, the working classes had shown signs of being aroused to self-consciousness and had shown signs of organizing themselves into some kinds of organizations, whether they are called trade unions or by some other name. During the war and since the armistice the labour movement in this country, as in other countries, grew much stronger and it is growing

stronger still day by day. The working class have during this period organized themselves into several unions. Their number to-day may be estimated between 50 and 100 with a membership of several hundreds of thousands. Unfortunately as these organizations are of recent growth they are not yet put on a proper footing. You will find that in a great number of them the membership is not still large enough. In some of them even subscriptions are not regularly collected. Some of them do not even have rules framed. Their status also in the eyes of the law is not well defined. It is therefore necessary that if trade unions are desirable, we should take steps at this stage to put these organizations on a sound and proper footing. In England several laws, known by the name of trade union laws, have been passed during the last 50 years and more. We should copy the example of England in this respect and make a beginning. It is necessary, in the first place, that trade unions should have good rules and if we pass a law registering such trade unions, they can be compelled to have good and proper rules. The registration will also enforce on the trade unions the appointment of necessary officials. It will also put on the trade union officials the responsibility of protecting the funds of the trade unions. In the English trade union laws, some concessions have been given to the unionists such as their provident fund is free from income-tax. Even in our own country by the Co-operative Credit Societies Act, the working classes have been given certain other concessions such as the exemption from the stamp duty. If these organizations of the working classes are to be encouraged, Government can give similar concessions to these organizations also, namely, the trade unions, by means of their registration. But more than this, what is important is that the status of the trade unionists and trade union officials and trade union organizations must be determined and fixed in the eyes of the law. At present the position is very doubtful. In England some years back the trade unions were illegal. I do not know what the position in India is. I am not a lawyer; but I take it that here a trade union is a legal organization. In England, strikes were not legal for a number of years. I do not know what the position of strikes to-day in India is. It may be legal or it may be illegal. At least for the present nobody has come forward and said that strikes are illegal. Then there is the question of civil liability. A strike means withdrawal of labour. Sometimes it involves breach of contract of service.

According to the Code of Civil Procedure, injunctions can be issued against persons who induce persons to break their contracts of service and those persons who induce others to break their contract of service also can be sued for damages. Now this liability for trade union activity, namely, strikes, is not imaginary. Only a few months ago, a case arose in Madras. In October last, Mr. B. P. Wadia, who was for some time the Editor of *New India* and who was the President of the Madras Labour Union, was prosecuted in Madras. An injunction was issued against him prohibiting him from engaging himself in the activities of the trade unions. The charge against him was that he induced some of the workers in the Buckingham Mills to commit a breach of their contract and induced others not to enter into contract of service with that company. The judge issued an injunction. Now this clearly shows that trade unions are not free from civil liability. One of the trade union activities is to declare a strike, and this has been recognised all over the world as a legitimate weapon of collective bargaining. Therefore, if we feel that trade unions are necessary and desirable, it is also equally incumbent on us to see that *bona fide* trade union activity does not involve for those engaged in it any civil liability.

It will be said that in the case of Mr. Wadia, an injunction was issued against him on the ground that his action was a wrongful action and it was also alleged that his activities were actuated by malice. Now it is very easy to prove in such cases that the action of a man is actuated by malice, that is, with intention to do injury to some other person. A strike necessarily involves injury to the employer, and therefore, it will not be very difficult to prove that the activities of a trade union official are malicious. Moreover, in the case of Mr. Wadia, malice was proved by the fact that he was a politician. Now, I do not know how many people really can say that they are not politicians. If they give votes at elections, they are politicians. If they are Members of this Assembly, they are politicians. Sir, those are the facts of Mr. Wadia's case according to my light: they can be put in some other light also. But for my purpose it is sufficient that there was a case made in Madras in which an injunction was issued against a trade union official for trade union activity. Therefore, when we propose to legislate for trade unions, it is

necessary that we should consider the position of trade unionists in the eyes of the civil law very carefully and afford trade unionists the same protection which is afforded to them in England. Sir, the English section on this point is very clear, and absolutely protects trade unionists and trade union officials from civil liability. I shall read that section from the Trade Disputes Act of 1906 for the benefit of this Assembly :

> 'An act done by a person in contemplation or furtherence of a trade dispute shall not be actionable on the ground only that it induces some other person to commit a breach of contract of employment or that it is an interference with the trade, business or employment of some other person or with the right of some other person to dispose of his capital or labour as he will.'

This section and other sections, which I need not read here, clearly protect the trade union officials and trade unions from civil liability for a breach of contract or inducing people to break contracts of service. If the English law affords trade unionists such protection, I do not see why in India the Indian trade unionists and their officials should not be similarly protected. Sir, this Assembly knows that we in India—I mean, Indians—have always claimed that we should be in our country what the English people are in their country. I would, therefore, request the Members of this assembly to consider whether the Indian workers should not be in India what the English workers are in England. Therefore, this protection of the trade unionists in India similar to that given to the trade unionists in England, is absolutely necessary.

Sir, as regards criminal liability, the point is not quite clear. So far no criminal case has been made, but I believe that it is not right for us to wait till a case has been made. Sir, there is the Indian Penal Code. There are several Acts, such as the Workmen's Breach of Contract Act, the Assam Labour and Emigration Acts, the Madras Planters' Labour Act, and other Acts according to which it wlll not be impossible for the ingenuity of lawyers, stimulated by the wealth of employers, to find out some section to bring the working classes of this country under criminal liability. Sir, I, therefore, appeal to this House that it is necessary once for all to lay down in an Act that *bona fide* trade

union activities cannot be considered as a criminal act. In the English law this has been done; and I believe that it should also be done here.

Sir, it will be said that as in India there are some Acts under which Societies are registered, there is no need for separate legislation. In the first place, there is the Companies Act, under which the organizations of employers are generally registered; but it will be seen that a trade union, which does not issue any shares and which does not distribute any profits or dividends, is not a company and therefore that Act is not suitable for the registration of trade unions. Then there is an Act to register societies promoting literature, science and art; but a trade union is not a literary society nor a scientific society; it is also not a charitable society. Therefore that Act will not be a suitable Act for our purposes. Moreover, as I have said, the important reason for which I ask for registration is the protection of trade unionists and trade union officials and organizations which cannot be so protected by any of the present Acts. Separate legislation therefore is necessary; and I request the Government to undertake this legislation for this reason. The Government in this country has always claimed that it makes a special effort to protect the interests of the masses and the working classes. If that is so, I think it is their duty to undertake legislation for this purpose. Moreover, Government in the past has helped the working classes by legislating for them separately. They passed the Co-operative Societies Act which helps the working classes by making them their own capitalists, by making them their own landlords, by making them their own shopkeepers, thus removing the distinction between capitalist and labourer, between tenant and landlord, between customer and shopkeeper. Unfortunately, these distinctions of classes will remain for a long time, and, therefore, as long as these distinctions remain, it is necessary to protect the weaker against the stronger. I, therefore, urge the Government that as they helped the working classes by passing the Co-operative Societies Act, they should also help them by passing the Act I suggest, which is only a complement of the Co-operative Societies Act. Sir, I would also request the employers in this Assembly to help in the passing of this legislation. Every employer will find that it is to his interest that these workers should be organized. It is always seen during

strikes that it is more easy to deal with an organized mass of people than to deal with an unorganized and illiterate mass of people.

Moreover, the employers know that they generally organize themselves into their Chambers of Commerce, Millowners Associations, Jute Manufacturers Associations and several other Associations to protect themselves and to bargain collectively with their workers, and naturally they should also expect their workers, to combine and organize themselves to bargain collectively with their masters as equal parties in the bargain. I would, therefore, request the employers to help in the passing of this legislation.

Sir, there is one point on which a difference of opinion several times arises and it is this. The employers, some Government officials and some members of the educated public, say that they are in favour of trades unions, but unfortunately the present trade unions are in the hands of agitators, outsiders and people who are not workers themselves ; therefore, they cannot sympathise with the present trades union movement. But the Members of this Assembly, if they take into consideration the present state of education of the working classes of this country, will clearly see that a man who professes sympathy with the trades union movement and says he does not like the movement assisted by educated people, has no real sympathy at all. At the present time it is impossible for the working classes of this country, illiterate as they are, to manage their own organizations which some times grow very big. Even Government have found out that in the case of co-operative societies, it becomes necessary that some outside guidance should be given to them and Government often appoint honorary organizers for this purpose. I would request Government to appoint honorary organizers for the trades union movement also. It is thus clear that some outside guidance is necessary, in the present circumstances, for the trade union organization.

There is another point. There are some people, good-natured they are and very amiable, who say we want to improve the condition of the working classes but we do not want to see the bitter class war which is seen in Europe. The trades union movement encourages this bitter class war and we do not, therefore, want it. If the bitterness of the class war which is seen in Europe is to be avoided in India, we must, in the first place, see

why there is bitterness and why the war is required to be waged. We all know that society at present is divided into classes, and industrial society is divided into capitalists and labourers. There is a conflict of interests between these two classes and as long as this conflict of interests lasts, there will be some wars and some struggles. They cannot be avoided. And when the struggles become protracted and involve great sacrifices, the parties become bitter. But the only remedy to avoid this is to get rid of the classes, to get rid of the conflict of interests, to cease to treat the labourers as mere wage-earners. If the employers want to avoid the bitterness of class war, they should, without a struggle, improve the conditions of work of their workmen, treat them as their children, younger brothers and younger sisters, and give them opportunities of developing, in course of time, into equal partners, and in that case they and the labourers will enjoy peace and prosperity.

With these words, Sir, I commend my Resolution to the acceptance of this Assembly.

The Honourable the President:: The question is :

> That this Assembly recommends to the Governor General in Council that he should take steps to introduce, at an early date, in the Indian Legislature, such legislation as may be necessary for the registration of trade unions and for the protection of trade unionists and trade union officials from civil and criminal liability for *bona fide* trade union activities.

The Honourable Sir Thomas Holland : Mr. President, it will probably save the Members of the House a certain amount of unnecessary discussion if I put before the House at once what information we have on the part of Government that may assist the object that Mr. Joshi has in view. It is not only Mr. Joshi's Resolution that all of us are now thinking about, but an amendment has been proposed to cut off the tail of it and I have seen a notice given by Sir Logie Watson of a Resolution which presumably was intended as an amendment to this, asking that the Governor General should invite the opinions of Local Governments and of various commercial interests in the country to look into this matter with a view of the registration and protection of trade unions. These three motions that may come before the House must, therefore, be in minds of everybody, and as I said,

it may save a certain amount of time if I clear up the situation as I understand it to be now. I think everybody will agree that Mr. Joshi has put his case very fairly so far as the object he has in view. I also think that nearly every Member of this House, including the employers, will be willing to walk with him for a certain distance. Our trouble will be to find out where we have to part company. My friend, Mr. Joshi, has in view the same ideal for which we in my Department have been searching for some months past. His study of the question has revealed to him no difficulties at all. Our search, however, has led to the discovery of an uncomfortable number of pitfalls and snags, and we feel sure, therefore, that we shall proceed in the long run more quickly if we move with greater caution than his Resolution suggests. Now, I take as accepted that trades unions are inevitable. We need not waste any time in discussing as to whether they should or should not be encouraged. They must come in any case, and it is the business of everybody who is connected in any way with industries to help their development along healthy lines. So far my friend, Mr. Joshi, and I are in complete agreement, and I think most people here who have considered this question will agree with both of us. Trades unions are not only inevitable, but our treaty conditions with Germany and Austria demand that we shall recognise 'the right of association for all lawful purposes by the employed as well as by the employer.' We cannot now go back on our obligations, obligations incurred by treaties that have been ratified on behalf of India, as well as on behalf of other parts of the British Empire. Now so far the position is quite simple.

It is all very well to urge the Governor General to take steps to introduce *at an early date* the legislation necessary for the registration of trades unions. When we want first of all to know is how many real trade unions exist in India. There are some associations, it is true in this country, but possibly they could be counted on the fingers of one hand, that have a clearly stated constitution, and a recognised membership, with audited accounts. But Mr. Joshi wlll say, I have no doubt, that we want trade unions developed along healthy lines. Simply because there are no, or very few, trade unions, as we know them, now in India, there is no justification for postponing legislation. I understand that he wants legislation of such a kind that a healthy trade union could come into being and begin activities at once. Now,

the difficulty before us is to design that legislation. I will show you a little later, what is convincing to me at any rate, that the English legislation which Mr. Joshi quotes as our guide is not only legislation which we dare not undertake in India but legislation which would never be passed in England if a Bill were put before Parliament to-day. Mr. Joshi quoted two Acts to-day by which trade unions could be registered, one is the well-known Act XXI of 1860, which is an Act for the registration of literary, scientific and charitable societies. The only advantage of that Act is that the registered Society can be sued or may sue in the name of its President, Chairman, or Trustees, as determined by the registered rules and regulations of the Society; but no statutory provision is made for the auditing of its accounts. Mr. Joshi has correctly stated that a trade union is not directly a literary or scientific society; possibly it might come within the definition of a charitable society.

Then he takes up the equally well-known Act—Act VII of 1913—and he states that trade unions cannot be regarded as established for ordinary trade.

But there is a whole section of that Act, known to everybody, which is devoted to the registration of associations formed for promoting commerce or science, charity, or any other object and which applies or intends to apply its profits or other income in promoting its objects; but does not intend to pay dividends. Now, I cannot say whether there is any objection to trade unions registering under that Act. Such an association as a trades union would be a company with limited liability—and so much the better for its members—and it would enjoy the privilege of all limited companies, as well as be subject to all their obligations. In other words, its accounts would come under a recognised system of audit.

I know of no reason why a trade union should not register under that Act as well, for instance, as the new Institution of Engineers that was inaugurated in Calcutta last week and has registered under the Companies Act of 1913, and under this particular section. But I have never seen nor heard of an instance in which a trades union in India, properly constituted, has applied for registration and has been refused by the Registrar. Mr. Joshi has not quoted, I think, an instance in which a trade union has been refused registration under the

Indian Companies Act. At the same time, I have not the slightest hesitation in stating that I have seen little evidence of eagerness on the part of some so-called labour leaders to press upon their unions the advantages of registration.

My first point, therefore, is, first of all, there are very few trade unions, properly constituted, for registration; secondly, that the trade union leaders generally show no indecent desire for registration under the statutory facilities that exist already. It is for the second reason, that is for the protection of simple workers themselves from the activities of self-constituted leaders, that I consider it desirable as soon as possible to find some practical way to attain Mr. Joshi's ideal.

Then there is the second and very great consideration which Mr. Joshi has raised. That is the matter of the civil or criminal liability of trade union officials on account of their *bona fide* trade union activities. I may say at once that I should be ready to support any measure of protection that could be, at the same time, satisfactorily safeguarded against abuse. If we, as we must, recognise the right of association of workers to protect their own interests, there should be some way by which their associations can be protected against the crude operations of the common law of conspiracy. Workers have a perfect right to strike; whether they are under Government or under private employers they have an absolute right to strike; and I hope no one here will dispute that *moral* right. But have they, under common law, a *legal* right to conspire together to strike? And here comes another of Mr. Joshi's points—a point on which we should like to help him and a point for which we are looking out for some scheme—some means by which we can protect the trade union official undertaking work on behalf of his fellows in perfect good faith. It is right that he should be protected and at the same time prevented from abusing his position. Now, Mr. Joshi has quoted an instance in which trade union officials have been prosecuted. I refer to the case in Madras and he quite fairly stated that that was not a simple instance of a trade union official being prosecuted because of his activities as such.

As Mr. Joshi stated, malice was alleged by the plaintiffs against the first and principal defendant, who was accused of making speeches not with the sole intent

of benefiting the workmen themselves, but partly with the malicious desire of injuring employers by making workmen break their contracts. The judgment therefore is not a very simple one, not a simple issue of conspiracy. It is also fair to remember that that judgment was merely an interlocutory judgment pending the hearing of the suit that was filed for damages. Mr. Joshi also points out that the judgment was complicated by the fact that the first and principal defendant was accused of being a politician.

I agree with him that this is a term of abuse. But if you turn up the full extent of the judgment delivered by Mr. Justice Phillips, you will find that the other defendants, Nos. 2 to 10, were not in any way so abused either by the Judge or by the plaintiffs. They formed what was called a lock-out Committee and this is what the Judge said of them:

> 'The Committee induced the men to break their contracts, and it is a legitimate inference from the words and actions of its members that the committee was formed with that object and it, thus, formed a conspiracy of ten people whose intention was to induce the workpeople to break this contract. Defendants 2 to 10 are, therefore, equally responsible with the first defendant.'

So far as I can see, that judgment against defendants Nos. 2 to 10, made it clear—and it was supported also by illustrations given in the judgment—that the Judge was under the impression that to induce a workman to break his contract was in itself an act of conspiracy which thereby made the strike officials liable in damages. So far that is the law in India if it is accepted as a final interpretation. But I wish to point out before we go on that we have no other illustrations, and no other rulings to guide us. So far as it goes, it does bear out what Mr. Joshi says, that if a trade union official during a time of strike, induces men to leave their employers' work, he becomes liable to this charge; and the existence of the contract may be as simple as that in the case of Madras where the men were provided with pass-books indicating the obligations on their part as well as on the part of their employers. So that we do want, as Mr. Joshi wants, some legislative formula in India under which these men can carry on what we recognise as fair business on behalf of workmen.

The law in India as we read it now, or it has been read in this instance, seems to be very similar indeed to the law in England before the Trade Disputes Act of 1906 was passed. This is the Act which Mr. Joshi quoted just now. Some years before that Act was passed, we had a well-known suit known as the Taff Vale Railway Strike Suit, which illustrated almost exactly the same point as the Madras case quoted by Mr. Joshi. In the Taff Vale Railway case, Mr. Bell and other officials of the Amalgamated Society of Railway Servants were sued by the Railway Company on account of their action in persuading the imported so-called blacklegs to break their agreements and to go back to London. Mr. Justice Farwell gave in the same way an interim injunction to restrain the defendants 'from watching or besetting, or causing to be watched or beset, the Great Western Railway Station at Cardiff, or the works of the plaintiffs, and so forth.' I need not read the whole of the judgment. I mention that because it is important for us to remember that the action of Mr. Bell and his colleagues has been described by very good authorities as perfectly fair and perfectly just or at any rate intended to be so, and intended really to prevent riots on account of the disturbances that would have arisen if these blacklegs had been allowed to work. The end of the litigation in the Taff Vale Railway case produced considerable sensation, as it practically exposed to action for damages trade union officials taking active part during strikes by way of peaceful picketing and other methods to dissuade men to continue their work. The judgment probably influenced the elections of January 1906, and soon after the assembly of the New Parliament, a law was passed known as the Trade Disputes Act of 1906. This Act showed a tendency for the pendulum to swing too far in the opposite direction. It legalised peaceful picketing among other things, and one knows to what extent such privileges have been abused. In order to get an independent opinion of the meaning of the Trade Disputes Act that Mr. Joshi has quoted as an example, I will read an extract from the views published by Lord Askwith, who has had probably more experience than any one else in England in connection with labour disputes.

Lord Askwith says :—

> 'This Act is now regarded as a charter of liberty by some trade unionists, and is denounced as a charter of license by some employers. It is neither one nor the other, but it has been used to shield some

> acts by individual officials which, in the interests of the community, might well not be shielded, under the cry of proposed infringement of privileges of a trade union. It has also caused a bitterness of feeling against many actions of trade unions which sensible laws would not have touched, in the belief that, but for the Trade Disputes Act, they ought to have and would have been made amenable to results everyone else had to risk. Class feeling on the part of employers has been increased by suspicion and anger at its supposed effects, often quite irrationally. The people as a whole have a grudge against presumed privileges being accorded to one section of the community. It was passed under pressure, and believed to be passed for the sake of a temporary political advantage.'

According to Lord Askwith, therefore, that Act, instead of removing class feeling as Mr. Joshi hopes and wishes, actually engendered class bitterness; and it is wise to remember the conditions under which it was passed. When the new Government came into power at the general election of 1906, they had in support not only 29 Labour Members but a large number of men of labour interests who had been formally returned with Liberal tickets.

That is Lord Askwith's opinion, and I will give you now a very short extract from another authority on trade unionism, and I do not think that you can accuse Sydney Webb and his wife of being disposed directly in favour of employers and the capitalists. This is what they say:

> 'The Trade Disputes Act, which remains the main charter of trade unionism, explicitly declares, without any qualification or exception, that no civil action shall be entertained against a Trade Union in respect of any wrongful act committed by or on behalf of the Union; an extraordinary and unlimited immunity, however great may be the damage caused, and however unwarranted the act, which most lawyers, as well as employers, regard as nothing less than monstrous.'

Now, my point is this, that Mr. Joshi in offering the only practical scheme to help us has quoted an Act, which has gone, in the opinion of nearly everybody, far

too far. We do not want to facilitate actions like that of Taff Vale nor any further repetitions of the action that occurred in Madras. We do want nevertheless to improve the lot of the workers. The Taff Vale case, as I have shown, resulted in reaction to an undue extent. It was the action in the case of Taff Vale that gave rise to a reaction in favour of the Trade Unions, resulting in the return of Labour Members to Parliament and then in the rush of the tide, the passing of that Trade Disputes Act of 1906. We have also to be careful that we are not unduly influenced by the Madras case or by the possible danger to which honest trade union workers are even now apparently exposed. If we are to devise a legislative formula to protect *bona fide* trade union activities, we must be careful to devise also safeguards to prevent the abuse of privileges so secured. This is the practical difficulty to find a well-balanced formula, a fairly proportioned law that will be for the benefit of workers without trespassing on the legitimate rights of employers.

Honestly, Sir, I confess that at present Government is not ready to design a formula that will work. Even if you force upon us this Resolution to-day we shall be utterly unable to come before you with a measure that you will consider satisfactory. If, instead, the Resolution had assumed a form somewhat similar to that suggested by Sir Logie Watson it would be easier to accept; for it is obvious that we cannot deal with this, without, as Sir Logie Watson suggests, first consulting Local Governments and the various commercial associations that will be affected. If Mr. Joshi insists on immediate action, I do not think he ought to force on others the duty of solving this difficult problem. He says that Government, following their action in promoting the Co-operative Societies Acts and the Factory laws, ought now to obey his demand for a trades union Bill along the lines which he lays down. I do not think it is necessarily the business of Government to carry out the wishes of every Member. Mr. Joshi is perfectly at liberty to bring in a private Bill himself, and I should very much like to see him attempt it. So far as my Department is concerned, Mr. Joshi will get every possible assistance in our power, and he shall have all the information that we have at our disposal if he will attempt to draft a Bill that will solve this difficult question. But I think we have a right to insist that Members of this Assembly should not think their duty ended when they preach an ideal and do nothing to show the way by which that ideal may be attained. Members

of this Assembly are no longer irresponsible critics of Government, but they are constructive workers beside us in the legislature. I suggest therefore that Mr. Joshi should either withdraw his Resolution, possibly in favour of something of the kind suggested by Sir Logie Watson, or alternatively, as I said before, that he should give us a private Bill on which he could begin to work. I myself do not think that Sir Logie Watson's proposal goes nearly far enough. He merely wants us to invite opinions as to the desirability of registering and protecting trade unions. I have myself not the slightest doubt as to the desirability of this move. So far I go absolutely with Mr. Joshi. What we want from Local Governments and private associations also are practical suggestions as to how we can act effectively. That is the step we want to take. That is the practical difficulty, the fence that we have to get over. So, if this House accepts Mr. Joshi's Resolution well, all I can say is, that we shall be unable to carry it out in its literal entirety. If, on the other hand, the Assembly accepts Sir Logie Watson's proposed Resolution, then, I tell you, that we shall feel it our duty to go very much further than he asks us to do.

Sir Logie Watson: I do not desire to carry on with my Resolution provided Mr. Joshi withdraws his.

The Honourable Sir Thomas Holland: I will therefore content myself with putting the issues in that way on behalf of Government, that we do desire some measure of protection of the kind that Mr. Joshi wants. Our difficulty is to find a formula that will work in practice. We leave it to Mr. Joshi to suggest a formula, or to introduce a private Bill, or to allow us to go on the lines suggested after consulting the principal interests in the country through the local Governments as to the possibility of framing some form of legislation that will protect trade unionists in *bona fide* trade union operations, on the distinct understanding that there are sufficient safeguards to prevent the privileges from being abused.

Mr. A. D. Pickford: The subject of the Resolution which Mr. Joshi has put before the House is of absorbing interest and importance not only to those who have the interest of the industrial worker at heart but also to those who are engaged in industry. In asking the House not to accept the Resolution in its present form I wish to make it clear at the outset that my objection is not founded on any opposition to trade unions as such and

I cordially endorse and accept Mr. Joshi's invitation for co-operation so far as I am permitted to speak for employers. The House will consider very carefully what the effect of legislation based on the Resolution before it would be. It would mean nothing less than complete immunity for trade unionists and trade union officials from the consequences of their actions. I hope to show that in the conditions prevailing in India this would be a very dangerous measure likely to result not merely in injury to existing industries and, therefore, be it noted, finally to the worker himself but to prove a menace to that industrial regeneration of India in which Indians are at the present time most specially interested. I ask the House not to accept the Resolution in the present form, first, because its scope, as the Honourable Sir Thomas Holland has pointed out, is too wide, secondly, because it is premature and, thirdly, because the conditions in India will probably require and should in that case obtain special treatment. I have already dealt with the first of these. As regards the second, that is to say, that it is premature, I would remind the House of what the Honourable Sir Thomas Holland said as lately as last January in a speech delivered at the discussion on Labour Unrest at the Conference of the Associated Chambers of Commerce. He announced that a special Labour Bureau had been established with the specific purpose of collecting as soon as possible information about the legislation in other countries. Surely it would be wise to await the result of these inquiries. The Honourable Sir Thomas Holland has to-day given us partially the result of those inquiries and one would only urge that in view of the universal interest which the subject is arousing the wheels of Government should be plentifully greased, if so be, Delhi possesses such a commodity. My third point, Sir, relates to the special conditions prevailing in India and since the Resolution and Mr. Joshi's speech on it show a desire to imitate the Trade Disputes Act passed in the United Kingdom in 1906 and amended in 1913, I beg for the patience of the House if I spend a minute or two in elaborating the special circumstances described by the Honourable Sir Thomas Holland which led up to that legislation and then showing why most probably it is inapplicable to India. Members will agree that a slavish imitation of British or any other legislation as such is to be deprecated and I am surprised to hear Mr. Joshi say that he desires that any legislation which exists in the United Kingdom should also exist in India.

I think there will be a great many people in the United Kingdom who would exclaim 'Poor India!' The Act of 1906—and this perhaps is a point that the Honourable Sir Thomas Holland did not make fully clear—was the culmination of an evolutionary process ranging over several centuries, having its origin—and this also I think is most important—in labour conditions for which old time employers in the United Kingdom should feel heartily ashamed. For my purpose it is sufficient to point out that as long ago as the beginning of the last century Acts relating to labour combinations were in existence in the United Kingdom, the effect of which, so far from giving immunity from the ordinary processes of law, was to render such combinations liable to criminal prosecution. Legitimate agitation resulted in 1825 in the recognition of the right of collective bargaining. It was in consequence of this that trade unions sprang up, but not until 1871 was the Trade Union Act placed on the Statute Book. One of the largest combinations—the Amalgamated Society of Engineers—was formed over 20 years earlier, in 1851. In other words, trade unions existed years before trade union legislation was introduced. In that connection Mr. Joshi made the statement—I confess to me extremely suprising—that there are between 50 and 100 unions in existence in India with a membership of several hundreds of thousands. As the Mover has, I believe, the right of reply, I trust that he will accept the challenge to name, say, 20 of that number. The Act of 1906, I need not further allude to, as its scope and the special reasons which caused it to be passed have been very fully explained by the Honourable Sir Thomas Holland. But there is an important point connected with it. It is very much out of date. Between the year in which that Act was passed and the present time, there have been two processes at work—one beneficial, the other quite the reverse. While, on the one hand, mediation and conciliation have been brought to bear on trade disputes, on the other hand, workers have shown a regrettable tendency to strike in defiance of their own executives. It adds force to the opposition to the Resolution before the House that in this country this indiscipline has been very conspicuous in recent strikes, as, for instance, in the case of the strike of the Bengal Nagpur Railway operatives at Kharagpur, and the Taxi drivers' and Tramway operatives' strike in Calcutta.

From this brief survey we learn, firstly, that the labour disputes and the resulting legislation in the United

Kingdom had their origin in the last century in gross ill-treatment of workers by employers. Secondly, that trade unions existed before the passing of direct trade union legislation. Thirdly, that there has been further evolution since the Act of 1906 which Act embodies the spirit of legislation such as my Honourable friend, the Mover, has in view. Let us now consider what bearing this has on the problem with which we are confronted in this country, and therefore on the desire or otherwise of accepting the Resolution, which implies legislative imitation of United Kingdom methods. In the first place, no one can seriously suggest—no fair-minded man can seriously suggest—that labour troubles in this country have their origin in any general ill-treatment of the workers. There is ample testimony to the contrary. This is not due to any special virtue on the part of employers in India. The reason is simple. In the United Kingdom labour exceeds the demand. Here the reverse is the case. The employer has to compete for labour, and accordingly treats it well. In the second place, organized trade unions can hardly be said to exist in this country. We wait for the Honourable Mover of this Resolution to prove the existence of these 50 or 100 unions. Therefore it is premature to apply to a practically non-existent condition legislation which in the United Kingdom was introduced to meet actual known conditions. On the third point, may it not be that an examination of labour legislation in other countries will point to legislation of quite a different kind, legislation which may—who knows ?—avoid both for capital and labour in India the pitfalls which have undoubtedly beset it in other countries. It is a consideration which at least should suggest caution. Yet perhaps the most important difference lies in the character of the labour to which it is suggested this ready made legislation should be applied. The Indian operative is primarily an agriculturist—simple, easily led, excitable and, as the Honourable Sir Thomas Holland pointed out in the speech already alluded to, imitative. He has not the education to withstand the wiles of those who may induce him to strike for reasons entirely unconnected with his welfare. We have no right, I submit, to lay either the employer or the operative open to the possibility of labour disputes being fomented by persons whom, under the Act which this Resolution contemplates, the law could not touch or only reach with great difficulty. How are trade unions to be defined ? How are '*bona fide* trade union activities'

to be defined? The responsibility which rests on this House is great, if it encourages any method of legislation which will leave it open to mischief-makers by indirect incitement to trade on the gullibility of operatives.

I said at the beginning that my opposition had nothing to do with any dislike of trade unionism. Under modern conditions, as has been pointed out, they are inevitable, and, in spite of serious unwisdom at different times, the general effect of trade unions has been beneficial. By all means let trade unions be regularised by registration and protected, if need be, from capitalistic oppression; but let us beware lest by giving undue immunity from responsibility we let loose forces which will destroy the industrial development on which the economic future of India very largely depends.

All this may be deemed destructive criticism, and it is intended to be destructive criticism of the Resolution as it has been presented to the House. I suggest that labour legislation, if it is to be a means of protection and not of oppression, must work in another direction. It must regard trade unions as a means and not as an end,—not the legalised promotion of strikes, but the establishment of machinery to prevent strikes, should be the objective; the establishing of what are known as 'shop committees,' committees on which the employer and the workman are alike represented, and by means of which difference will be settled amicably across the table. By such means the trouble will be localised and the dislocation of industries prevented. I candidly ask the House to welcome Mr. Joshi's Resolution as giving a needed opportunity for discussion of a vitally important subject but to reject it as being both premature and dangerous.

Khan Bahadur Zahir-ud-Din Ahmed: Sir, I rise to oppose the Resolution which has been moved by Mr. Joshi, and my reason is this: This Resolution, if accepted by the House, will mean that the Government is going to take the responsibility of organizing strikes against capitalists.

Why should the Government organize a thing which would in the end work both against capital and labour as well? And I should like to know what is the authority of the Honourable Mover of the Resolution and whether he represents the labourers or not? How many labourers have given him votes to come to this Assembly? Has

he ever consulted the labour of Bengal? I am a man coming from Bengal and I have studied this question for 30 years and I have worked side by side with the working classes. In our place, there are no trades unions, but attempts are always being made by agitators to come among the men and create trouble. There are men who call themselves secretaries of various associations, but none of them are labourers, and, if this Resolution is accepted, it will mean the ruin of the workers and not so much of the capitalists. Capitalists are working in the interests of the workers. Supposing they remove their capital to China or elsewhere and put it into industries there, what will happen to the working classes in India? Before we try to harm the capitalists we must be certain that we are not harming the workers. I look on this point in this way and in no other. I have never known before that labourers have got a friend in Mr. Joshi or even in Sir Thomas Holland. Two days ago I was near the Juma Musjid and I saw there small boys, street waifs, begging. Now I was told the other day that the boys working in the mills do not keep good health. I ask Sir Thomas Holland and Mr. Joshi to go there and have a look at these boys. First let them know about the country before they try to improve it. Some day the labourers will cry: 'Save us from such friends.'

Babu J. N. Mukherjea: Sir, I gave notice of an amendment to the Resolution before the House propounded by Mr. Joshi, but I do not know if I am in time or if my amendment has been accepted. My notice, I think, was received on the 28th February 1921. My amendment is to the effect.

> 'That the words 'from civil and criminal liability for *bona fide* trade union activities' be omitted.'

That is to say, I thought that there would be no harm in Government looking into this matter and keeping itself in touch with the activities of the movement that was going on in this country, a movement which seemed to me at times to have been engineered to some extent for certain purposes. I stand Sir, not as an employer of labour, nor am I a capitalist or a labourer in the sense in which the word is used now-a-days; but I am a labourer in another field altogether unconnected with the employment of labour or with the actual performance of labour tasks in factories and other places in which manual labour in large quantity is employed. Therefore, I, as one who has simply the peaceful progress of the country

at heart, rise to say that the Resolution, as it has been worded, if accepted, will mean the destruction of all orderly progress in the country. What is the language of the Resolution? It asks for the protection of trade unionists and trade union officials from civil and criminal liability for *bona fide* trade union activities. That would mean the termination of all civil and criminal administration in the country. We cannot give the trade unionists such a long rope, and I have, therefore, proposed that the last words—the sting is in the tail—be omitted. And if they were omitted, the first part of the Resolution would not mean very much. It would then read:

> 'That this Assembly recommends to the Governor General in Council that he should take steps to introduce, at an early date, in the Indian Legislature, such legislation as may be necessary for the registration of trade unions and for the protection of trade unionists and trade union officials.'

So far it is all right. If Government finds that there is oppression from capitalists, Government can intervene and protect the oppressed against such oppression. But to protect them from civil and criminal liability for trade union activities, is quite another matter. The Resolution speaks of *bona fide* activities but does not define what they are, and does not speak of legal or lawful activities; the expression *bona fide* does not mean 'lawfully.' The activities of trade unionists are very often of a disorderly sort sometimes resulting in the breaking of somebody's head or the shooting of some body. So that, if the Resolution was not withdrawn, but pressed before the House, I would move my amendment to the effect that Government cannot undertake legislation in a way that would give the trade unionists absolute liberty to do what they liked. We, with the development gained in this country, are perfectly aware that Government cannot sit on the fence and watch the progress of events in the country with indifference. Government must therefore intervene; it must regulate and direct these new activities and, if possible, drive them into channels where they can have their legitimate operations. Protect the trade unionists by all means, and legislate for their good, wherever necessary, but certainly Government ought not to undertake legislation in the way the Resolution proposes that it should undertake to legislate. Sir, if the Resolution is not going to be withdrawn, and is to stand as it is after

my amendment is lost, my submission is, that the House should not accept it, but vote against it.

The Honourable the President: The original question was:

> 'That this Assembly recommends to the Governor General in Council that he should take steps to introduce, at an early date, in the Indian Legislature, such legislation as may be necessary for the registration of trade unions and for the protection of trade unionists and trade union officials from civil and criminal liability for *bona fide* trade union activities.'

Since which an amendment has been moved:

> 'That the words 'from civil and criminal liability for *bona fide* trade union activities' be deleted.'

The question is that that amendment be made.

Mr. Jamnadas Dwarkadas: Sir, may I enquire whether I should confine my remarks only to the amendment or to both the Resolution and the amendment?

The Honourable the President: Strictly speaking, the Honourable Member should confine his remarks to the motion I have just put from the Chair; but he can hardly make a speech about that without saying something about the Resolution!

Mr. Jamnadas Dwarkadas: I may say at the outset that I rise to support the Resolution so ably moved by my Honourable friend, Mr. Joshi. I really see no difficulty in this House accepting the Resolution as moved by Mr. Joshi. The amendment of my Honourable friend, Mr. Mukherjea, suggests the deletion of the words 'from civil and criminal liability for *bona fide* trade union activities.' I do not know how that will after the meaning that Mr. Joshi gives to his Resolution. Mr. Joshi aims at giving protection to trade unionists and trade union officials from civil and criminal liability for *bona fide* trade union activities. In dealing with his amendment, my Honourable friend, Mr. Mukherjea, I think, lost sight, not voluntarily, of the words *bona fide* on which Mr. Joshi lays stress in his Resolution. If the activities of any trade unionists or any trade union official is proved not to be *bona fide* then certainly—and I think that Mr. Joshi is going to say it himself when he gets up to reply on his Resolution—that all those who are in sympathy with this Resolution and Honourable Members in this Assembly would be the

first to ask for the prosecution of those persons who are not *bona fide* trade unionists or trades union officials.

Therefore I do not see any difference between the Resolution as it has been moved by my Honourable friend, Mr. Joshi, and the amendment moved by my Honourable friend, Mr. Mukherjea. I think Mr. Mukherjea appreciates the necessity of legislation on the part of Government for the purpose of giving protection to trade unionists; but he would drop the last line for fear that mischief-mongers might by such legislation escape scot-free, even though if they were instrumental in stirring up the workers for their own purposes.

Mr. Joshi, I am sure, would have no objection to meeting his wishes, and the Resolution as it is worded certainly meets those wishes, inasmuch as it provides for giving protection to *bona fide* trade unionists and trade union officials.

Now I come to the objections raised by the Honourable Sir Thomas Holland. Though there is a good deal of force in the arguments which he has put forward, I remain totally unconvinced as to the reason why he would not accept Mr. Joshi's Resolution. The only argument, it seemed to me in which there was a good deal of strength, was that while he wished from the bottom of his heart that something should be done to afford protection to trade unionists and trade union officials, he was not at this moment prepared to make any practical suggestions and that Government were, at the present moment or at an early date, not in a position to give effect to Mr. Joshi's Resolution. Now it may be, that the Government probably are not just now in a position to suggest a practical method of solving the question raised by my Honourable friend, Mr. Joshi. But the Honourable Sir Thomas Holland goes further. He challenges Mr. Joshi and asks him to bring forward, if he can, a Bill which will be in accordance with the objects of the Resolution he has moved. Now with due deference to the Honourable Sir Thomas Holland, I do believe that not only Mr. Joshi–I do not know whether Mr. Joshi would, but there are many other Members of the Assembly who would be quite prepared to bring in legislation for the purpose of giving effect to the Resolution which my Honourable friend has moved. I say this because I am unconvinced from the arguments advanced by Sir Thomas Holland. That he and the Government of India are in sympathy with the object of this Resolution, I have not the slightest doubt myself.

The only difficulty, in giving effect to the Resolution, is the practical one that they are at this moment not prepared to bring in legislation and, therefore, Sir Thomas Holland would ask us to throw off this Resolution. To me, Sir, it appears that it would be a mistake on the part of this Honourable Assembly to throw out a Resolution of this character.

In the first place we should be entirely misunderstood in the country, and justifiably so. We should not be helping to put down the present turmoil nor to calm it in any degree; but we should be enhancing it. I agree with the Honourable Sir Thomas Holland and my Honourable friend, Mr. Pickford, that we have unfortunately, in the country, to-day agitators who would take advantage of the ignorance of the workers for the purpose of furthering their own undesirable ends. I say, and I say emphatically, that if we reject this Resolution, the fact of our throwing out this Resolution will be used by those agitators to create and foster greater dissatisfaction among the ignorant workers whom, I am sure, all of us wish to protect.

We want to prevent exploitation of the workers by capitalists and by agitators who would use them for their own purposes. I say, therefore, that if this Resolution is not accepted, we shall defeat the object which all of us have in view, namely the protection of those who are being exploited by capitalists, and, far worse, are being exploited by mischief-mongers. I ask this House if we are prepared to do that having regard to the present situation of the country? At the same time we shall not be doing anything wrong or committing ourselves to any serious mistake by accepting the Resolution. On the contrary, we shall be making it clear once and for all that, so far as this Assembly is concerned, it is as anxious as the best worker who works in the interests of the labouring classes to secure justifiable protection for the working classes.

If the Government have any difficulty in suggesting practical legislation, I am sure that by the co-operation of Members, like my Honourable friend, Mr. Joshi, this difficulty can soon be removed, and if the Government are not prepared to undertake legislation in the terms of the Resolution, then, as I said before—and I repeat it again—that my Honourable friend, Mr. Joshi, himself, or any other Member who is in sympathy with the object of this Resolution, would be prepared, in the course of a

few days, to bring in a bill to give effect to the Resolution. But, Sir, I want again to emphasise that we should be committing a great mistake at this moment, and we would be giving a handle to those who exploit labourers if we throw out this legislation. What is happening now in the country? There is a dispute as to whether there are, or are not trade unions. I submit, Sir, that to my knowledge trade unions have grown in sufficiently large numbers in the course of the last few years, but I do believe that they are not adequately organized. The want of sufficient organization in the so-called trade unions is not a matter of congratulation to the employers, but it is this fact which is confronting employers with great obstacles every now and then when a strike occurs or when a dispute has to be settled. I fully believe that if trade unions were properly organized and were recognised and if responsible officials were forthcoming, then employers would welcome bodies which would mediate between them and the working classes in times of stress or difficulty.

I believe, Sir, that throwing off this Resolution is tantamount to taking a great risk for this Assembly, specially in view of the present situation in this country, and I therefore think that this Assembly will be well advised in accepting the Resolution of my Honourable friend, Mr. Joshi.

Rao Bahadur C. S. Subrahmanyam: Sir, the point before the House is a very simple one. My Honourable friend, Mr. Joshi, wants legislation to be undertaken by the Government. The Government tell us: 'Well, we are not equal to the work.' They go further and say: 'If you bring in a Bill, by all means do it.' Now, there are two simple statements, one by Mr. Joshi asking Government to introduce legislation—not so much to introduce legislation but to take the necessary steps to do certain things. That is one. Government say:

> 'We are unable to do it. We have not got the materials, and we appprehend dangers. That is, if we want to legislate on the lines you suggest, there are other parties who may have a great many difficulties. We have to consult them.'

This seems to be more a businesslike position. Now, in considering this position, I should think with all deference to those who have spoken that the other larger question whether legislation on these lines should or

should not be undertaken does not arise. It is far better for us, in an Assembly like this, with various interests and people with various ideas, to confine ourselves to a definite point in carrying on this debate. Because some questions with which, for instance, I am not familiar, may be discussed, and if gentlemen who are familiar with the subject take me away from the point, I should feel myself hopelessly at sea. Therefore, the simple point before the House now is whether the position taken by the Government that they are not equal to the work is a position which can legitimately be taken on a matter like this. I should think they can take that position. This is asking the Government to enter into a new field of activity, if I may say so—to legislate for labour and all these matters. Government say that they are not quite informed on the matter, but in the consideration of that question, no question of principle as to the protection of labour or as to the protection of employers does arise. The amendment now proposed makes the Resolution a little more vague. It is a very difficult thing if you accept the amendment. You have got a truncated proposition. If you accept the proposition, you commit yourself to some course of action, and you ask somebody else to do it. Well, Sir, I think the position I have taken, without committing oneself one way or the other, is a good one, namely, to accept that offer of the Government in a general way to refer the matter to the opinions of Local Governments and others interested. Of course, there is no formal amendment to that effect before the House. But that should satisfy the most ardent advocate of labour in this country—this inquiry with regard to this matter in quarters where we shall be able to get some facts and some definite ideas. Therefore, I think that on the whole question we are going away from the point before the House, and I would beg my Honourable colleagues in this Assembly to be so good as to confine themselves to the point at issue.

Khan Bahadur Chaudhuri Wajid Hussain : Sir, it is no use covering the ground which has been already covered by Sir Thomas Holland. But I would ask the Honourable Mover to recall to mind the history of trade unions in England, to think of the circumstances under which they grew, and of the manner in which they were developed. England took to trade unions at a time when she had reached a very high stage of industrial development and had also reached a very high standard of primary education. It was because she had reached such a standard of

educational and industrial development that England was able to manage the trade unions, that she was able to get out of the labouring classes a large number of people who were able to manage the unions. How many people have we in India who, like Mr. Joshi, can manage one single trade union in a spirit of moderation, in a spirit in which they would not use the union as a means of mischief?

Then, there is another circumstance which has to be remembered. When the trade unions were organized—I should not use the word 'organized'; they were not organized by Government. They were a natural growth, there was no legislation which helped their growth, and it was only at an advanced stage of development that legislation recognised them. For several decades, these trade unions remained unrecognised by the Legislature of England. It is a mistake to say that they were encouraged by legislation—when these trade unions were formed in England, the labouring classes in England could not be easily handled by the employers. The huge proportion of the population of England, which formed the labouring class at the time when these labour unions grew, could not possibly be handled by the employers, and it was necessary to have some organization, some machinery, some means of communication between the labourers and the employers of Labour. Of course, in India, we have not reached a stage when the labourers could not be directly handled by employers. We must remember that barely 1 per cent. of the total population in India are working in factories, and that it is not impossible to handle these people directly without the medium of trade unions. There is another cirumstance which makes the position in India very different from the position in England. In England, the main feature of the industrial development of that country was that labourers did not work for themselves. They worked for employers in factories. In India, you certainly have a certain class of labourers who work in factories. But you have another class of labourers who work for themselves, who are more interested in their work, because they get a large proportion of the profits for themselves. You have a very small proportion of labourers who work for their employers, and labourers who do not work for their employers and get a large proportion of the profits themselves are the best persons to protect their own interests. There is a large difference between the economic condition of his country at the present moment and the

economic condition of England at the time of the growth of these trade unions. Any book on economics in England would show you what a great difference there is between the economic structure of the two countries. In view, therefore, of the difference between the economic structure of the two countries, the educational standard of the two countries, and the conditions under which labourers work including the organization of the population and so forth, I would suggest that the time has not yet arrived in India for encouraging the growth of trade unions, by means of legislation. After all, as Sir Thomas Holland has rightly pointed out, a trade union in the sense contemplated by the Act of England is as extinct as the Dodo. There is not a single trade union in India in the sense in which the Act of England contemplated.

For these reasons I oppose the Resolution.

The Honourable Sir Thomas Holland: I would suggest, Sir, a way in which we may narrow the issues before the House and so shorten the debate, which I am sure will be satisfactory to all of us. I am greatly impressed with what my friend, Mr. Jamnadas Dwarkadas, said. If we throw out this Resolution, there will be protests in the country, rightly or wrongly, and an unfortunate feeling of disappointment. I think, therefore, that we ought to explore every means possible to arrive at some agreement, because I feel that Mr. Joshi and myself have not disagreed except in the matter of when and by what means we can bring about the object he has in view. If Mr. Joshi could put in the words 'as soon as practicable instead of the words 'at an early date,' I would be glad so far as this part of the Resolution goes.

Mr. N. M. Joshi: I do not object to the insertion of the words 'as soon as practicable.'

The Honourable Sir Thomas Holland: That removes the difficulty, because if we accept the Resolution in its present form we should at once have to frame a legislative measure. If the words 'as soon as practicable' are substituted, we could consult at once the Local Governments, and other bodies concerned through the Local Governments; but it seems to me extremely important that we should not move on lines that we know would be dangerous, without getting the advice of the Local Governments and of the bodies that will be affected. It is only because Mr. Joshi's original expression forces us practically to legislation at once in some form that, as I explained before, we had difficulty in accepting it. But

now that he has accepted the words 'as soon as practicable,' may I suggest to him also that it would leave his Resolution in as good a form if he cut off the tail end of it by 'docking' it slightly shorter than suggested by Mr. Mukherjea ; that is to say, stop at the place where it begins 'trade unionists and trade union officials from civil and criminal liability for *bona fide* trade union activities.' We see in the case of trade union activities, the so-called *bona fide* activities, a source of very great danger. I will give you an exaggerated illustration. It is exaggerated, but theoretically it is a case that might arise. A trade union official who is protected in this manner because of his *bona fide* activities on behalf of the union might escape being charged with the murder of his employer if the trade union official was sincerely convinced that the murder would lead to a rise in wages or, say, the conclusion of a strike, and that he had no malice whatever against the employer. That is an exaggerated illustration of course, but it does show you how dangerous it would be if we put the Resolution in the form in which it stands. It is the tail end of the Resolution that gives us our practical technical difficulties in drafting the legislation required, and it is that part of the Resolution that we hope to be able to solve after consulting the Local Governments. If, therefore, Mr. Joshi will, as he has kindly accepted, substitute the words 'as soon as practicable' for the words 'at an early date' and then cut off the tail end of his Resolution and stop with the words 'and for the protection of trade unions' the Government will be quite willing to accept it.

The Honourable the President : The Resolution, as amended, reads :

'This Assembly recommends to the Governor General in Council that he should take steps to introduce *as soon as practicable* in the Indian Legislature such legislation as may be necessary for the registration of trade unions; and for the protection of trade unions.'

Mr. N. M. Joshi : I have no hesitation in accepting the amendments proposed, because they will not practically make any change in my Resolution as they also show that it is necessary to give protection to the trade unions; and the only thing that the Honourable Sir Thomas Holland had done was that the whole Resolution is kept vague as to the sort of protection necessary. Sir, when I moved my Resolution, it was never in my mind that trade unionists, when they committed a murder or

other acts of violence, should be exempted from punishment. My object was not that trade unionists should be protected, if they even indulged in rowdyism or threw stones. I therefore used the words '*bona fide* activities.' Sir, I am glad that the Honourable Member for Industry realises the necessity for the protection of the workers, but he is not prepared to give them the protection which is given in England to English labourers. He says, that the English labourer is placed in privileged position and he is not willing to put the Indian labourer also in a privileged position.

The Honourable Member knows that in India there is legislation for depriving the working classes of this country of the ordinary rights of citizenship. They are regarded as different from the ordinary citizens. Does the Honourable Member know that there is an Act called the Workmen's Breach of Contract Act? Does he know that there are Acts, called the Assam Labour and Emigration Acts, the Madras Planters' Labour Act, the Madras Act No. V of 1866? In all these Acts the working classes are placed in a disadvantageous position. If the Government think that the workers of India should not be placed in a privileged position, they should not also be put in a disadvantageous position, then, why should they be made criminally liable for an action for which the ordinary citizen is not so liable? But if you once allow that the worker can be put in a disadvantageous position, as he is put, why should Government hesitate to put the worker in a privileged position in some respects? If Government think that the worker should not be put in a privileged position, let the Government at once come foward and remove all the Acts from the Statute Book which put the worker in a disadvantageous position.

Sir, there were other arguments used by the speakers who have dealt with my Resolution. Mr. Pickford said he did not want people to trade on the gullibility of the workers. Well, perhaps he wants to keep the monopoly of trading on the gullibility of workers for his class, namely, employers. If he does not want to trade on the gullibility of the working classes, why should he be afraid of trade unions?

Sir, another argument used was that there are no trade unions in this country, so why should we pass legislation providing for the protection of trade unions. The argument is not a sound one. As the Honourable Sir Thomas Holland knows, there were no co-operative societies

when the Cooperative Societies Act was passed. Is he prepared to contradict that fact ? Then some challenges were thrown at me. I was asked to name a few trade unions which exist in India, I could quite easily accept that challenge. But I ask, is this Chamber an examination hall ? If so, I will give my answers and get a few marks. But, I do not think, this is the place for offering challenges of this kind.

Then, one of the speakers said we should allow trade unions to grow naturally just as they will. Sir, that is just what I do not want. I do not want trade unions to grow in the natural way. If you allow them to grow naturally they will grow wild, and we ought to avoid that.

Sir, then, there were many objections raised in connection with the special kind of trade union legislation for which I ask. One of them was that I should not ask the Indian Government to follow slavishly the English trade union law. Sir, if the English trade union law is good, I do not see any objection to our copying it here. If Mr. Pickford thinks the English law is bad, I think when he goes back to England he should agitate to get that legislation removed. As I have already explained, Sir, I am not against accepting the amendment, because the amendment gives whatever I want. When the legislation comes before the Council, then will be time enough to consider the matter in greater detail.

The Honourable the President : The question is, that the Resolution, as amended, which runs as under, be accepted :

> 'This Assembly recommends to the Governor General in Council that he should take steps to introduce, *as soon as practicable*, in the Indian Legislature, such legislation as may be necessary for the registration of trade unions and for the protection of trade unions.'

The motion was adopted.

APPENDIX II.

Extract Sections 2, 3, and 4 from The Trade Union Act, 1871.

* * * * *

Trade Union not criminal.

2. The purposes of any trade union shall not, by reason merely that they are in restraint of trade, be deemed to be unlawful so as to render any member of such trade union liable to criminal prosecution for conspiracy or otherwise.

Trade Union not unlawful for civil purposes.

3. The purposes of any trade union shall not, by reason merely that they are in restraint of trade, be unlawful so as to render void or voidable any agreement of trust.

Trade Union contracts when not enforceable.

4. Nothing in this Act shall enable any court to entertain any legal proceeding instituted with the object of directly enforcing or recovering damages for the breach of any of the following agreements, namely,

1. Any agreement between members of a trade union as such, concerning the conditions on which any members for the time being of such trade union shall or shall not sell their goods, transact business, employ, or be employed:
2. Any agreement for the payment by any person of any subscription or penalty to a trade union:
3. Any agreement for the application of the funds of a trade union,—
   - (*a*) To provide benefits to members; or,
   - (*b*) To furnish contributions to any employer or workman not a member of such trade union, in consideration of such employer or workman acting in conformity with the rules or resolutions of such trade union; or,
   - (*c*) To discharge any fine imposed upon any person by sentence of a court of justice; or,
4. Any agreement made between one trade union and another; or,

5. Any bond to secure the performance of any of the above mentioned agreements.

But nothing in this section shall be deemed to constitute any of the above mentioned agreements unlawful.

* * * * *

Extract Section 7 from the Conspiracy and Protection of Property Act, 1875.

* * * * *

7. Every person who, with a view to compel any other person to abstain from doing or to do any act which such other person has a legal right to do or abstain from doing, wrongfully and without legal authority,—

1. Uses violence to or intimidates such other person or his wife or children, or injures his property; or,
2. Persistently follows such other person about from place to place; or,
3. Hides any tools, clothes, or other property owned or used by such other person, or deprives him of or hinders him in the use thereof; or,
4. Watches or besets the house or other place where such other person resides, or works, or carries on business, or happens to be, or the approach to such house or place; or,
5. Follows such other person with two or more other persons in a disorderly manner in or through any street or road,

shall, on conviction thereof by a court of summary jurisdiction, or on indictment as hereinafter mentioned, be liable either to pay a penalty not exceeding twenty pounds, or to be imprisoned for a term not exceeding three months, with or without hard labour.

Attending at or near the house or place where a person resides, or works or carries on business, or happens to be, or the approach to such house or place, in order merely to obtain or communicate information, shall not be deemed a watching or besetting within the meaning of this section.

* * * * *

Extract Section 2 of the Trade Unions and Trade Disputes Act, 1906.

* * * * *

Peaceful picketing.

2. (1) It shall be lawful for one or more persons, acting on their own behalf or on behalf of a trade union or of an individual employer or firm in contemplation or furtherance of a trade dispute, to attend at or near a house or place where a person resides or works or carries on business or happens to be, if they so attend merely for the purpose of peacefully obtaining or communicating information, or of peacefully persuading any person to work or abstain from working.

(2) Section seven of the Conspiracy and Protection of Property Act, 1875, is hereby repealed from "attending at or near" to the end of the section.

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No. 1936-256

Chamber of Commerce,
Bombay, 21st October 1921.

The Secretary to the Government of Bombay,
Home Department (Political)

Through
The Director, Labour Office,
Bombay.

Sir,—I am directed to acknowledge receipt of your letter, No. 1267-Poll, dated the 1st October 1921, and its accompaniment, in which my Committee were invited to submit, through the Director Labour Office, their views upon the subject of a letter, No. L-925, dated the 12th September 1921, from the Government of India, Department of Industries, regarding the proposed introduction of legislation for the registration and protection of trade unions in India.

2. At the outset I am to state that my Committee are in entire agreement with the general principle that, in the interests of employees and employers alike, every facility should be offered for the development of organised labour in this country along healthy lines and in the right direction.

3. The principle itself admits of no argument and my Committee welcomed the Government of India's acceptance of the resolution which forms the subject of their letter as showing that Government were prepared to go even further and to suggest ways and means by which so desirable an aim might be attained.

4. My Committee have to thank the Government of India for a minute setting forth with great care and discrimination the present position of the laws regarding trade unions in England; and they observe that it is apparently proposed to institute legislation on very similar lines in India. I am, however, to point out that the legislation in England has been gradually developed as the result of over a century of Trade Unionism in one form or another, and that, while my Committee are most anxious to see the development of Trade Unionism in this country encouraged on healthy lines, they do not consider that the problem can be solved by merely copying the latest legislation of England. My Committee, therefore, submit that the problem should be approached from the entirely different standpoint of Indian conditions and that legislation should aim at the gradual development of India rather than at an attempt to bring India at once into line with Europe.

5. In the first instance legislation for the registration and protection of trade unions presupposes the existence of such unions upon a scale sufficient to justify their recognition and, secondly, the existence amongst the workpeople of a desire to associate together in organisations working for a common end. The Government of India maintain that both the conditions in question obtain in India but the experience of my Committee is very different, and it is derived from actual contact with the workpeople themselves. A specific example of the lack of interest displayed by the workpeople in the so-called unions is provided by the fact that the Bombay Central Labour Federation, the largest trade union organisation in this Presidency, has asked the local millowners to allow the union officials to carry on their activities inside the mill compounds themselves as the Federation finds it often impossible to get the operatives to sign even their membership forms outside the factory gates.

6. A further and important factor, of which no mention is made in the letter under reference, is the migratory nature of labour in this country and the fact

that the operatives in its two largest industries combine industrial labour with agriculture to an extent unknown in Western countries. The effect of such a practice upon the formation of unions in either the Mill industry of Bombay or the collieries of Bengal can easily be foreseen.

7. My Committee believe that whereas in Europe the growth of Trade Unionism has been the result of spontaneous effort among the workmen themselves, as is evidenced by the fact that their representatives have, almost without exception, passed through the ranks of the working classes, there is as yet no tendency in that direction in this country, where the entire management of the trade unions rests in the hands of a few professional men. My Committee do not wish to exaggerate the importance of this point because they fully realise that, until education spreads much more widely than at present, the labouring classes are fully entitled to call in help from outside to enable them to express their views; but they submit that, in the present stage of development of Trade Unionism, one of the primary objects of legislation should be to ensure that the management of a union is really representative of the views of the workers. My Committee, therefore, suggest, for the careful consideration of the Government of India, that legislation should include provisions on the following lines:—

(1) That election to the managing body of a registered union shall be by ballot of all the working members and that statutory provision shall be made for a majority of that body to consist of past or present working members of that union.

(2) That employers shall be entitled to insist on interviewing the whole of such managing body when collective bargaining is in progress.

8. My Committee next desire to point out that, under the scheme as proposed, there is little inducement for any trade union to register unless it is the intention of Government to offer in return certain immunities from legal obligations and increased facilities for picketing, and they are of opinion that, for the present at any rate, it is most undesirable that any encouragement should be shown to activities of this kind.

The position of trade unions in Europe and America is very different. They have there very large funds collected for entirely legitimate purposes, and it is of vital importance to their members that their unions should be registered in connection with the administration of those funds. In India, on the other hand, the unions have, as far as my Committee understand, little, if any, money collected for co-operative purposes and the compulsory audit, which they consider an absolute essential to legislation, so far from being an attraction to the members of the union, would almost certainly prove merely wearisome to the management.

9. Unless, therefore, Government is prepared to make most undesirable concessions in the way of legal immunity, my Committee are of opinion that recourse will seldom be had to registration unless it is made compulsory. How far this is practical my Committee cannot say; for, whether a union is registered or not, no power can prevent a body of men from representing their grievances to their employers through any channel that they may choose. It appears to my Committee, however, that, if any legislation is to be carried through on the lines suggested, the following clauses should be made a prominent part of the Act:—

(1) That registration shall be compulsory and not optional as at present suggested.

(2) That statutory provision shall be made for the audit and inspection of the funds of the union by responsible Government officials at regular periods and in that connection, that the specific provision set forth in paragraphs 16 & 17 of the Government of India's letter be incorporated in the Act.

(3) That the aim and objects of trade unions shall be specially enumerated in the Act upon the lines of paragraph 7 with the exception that the right to utilise the funds of the union for political purposes shall be omitted for the time being in view of the difference between the conditions obtaining in India and elsewhere in that respect.

10. In conclusion, my Committee would once more reiterate their view that the special conditions in India need the special and earnest consideration of Govern-

ment, and that it is of the greatest importance that legislation should be based on its own merits, and as a result of the closest investigation of our own problems, and that it should not follow the more simple method of copying the English Acts.—I have etc.,

C. B. SAYER,
Secretary.

No. 1954/256 of 1921.

Chamber of Commerce,
Bombay, 26th October 1921.

The Secretary to the Government of India,
Department of Industries, Delhi.

Sir,—I am directed to forward herewith, for the information of the Government of India in your Department, the attached copy of a letter which my Committee have addressed to the Government of Bombay upon the subject of the proposed legislation for the registration and protection of trade unions in India, with particular reference to your letter, No. L-925, dated the 12th September 1921, to all local Governments and Administrations upon the same subject.—I have etc.,

C. B. SAYER,
Secretary.

APPENDIX I.

STORES PURCHASE COMMITTEE.

No. 1444-135.

Chamber of Commerce,
Bombay, 23rd July 1921.

The Secretary to the Government of Bombay,
General Department, Bombay.

Sir, —I have the honour to request that the Committee of this Chamber may be furnished with two copies of the draft Stores Purchase rules, revised in accordance with the recommendations contained in the minority report of the Stores Purchase Committee before whom my Committee gave evidence, both written and oral, on the occasion of their visit to Bombay in February 1920.

I am to add that my Committee understand that the draft rules in question, together with certain other proposals submitted by the Government of India as a result of the Stores Purchase Committee's recommendations, are now under reference to the Government of Bombay, and my Committee will be grateful if they may be afforded an opportunity of perusing the proposals, together with the new draft rules prepared by the Government of India and based on the modifications in the existing rules suggested by the Committee, at an early date having regard to the assurance given to them by the Government of India that such an opportunity would be afforded in due course.—I have etc.,

C. B. SAYER,
Secretary.

No. 9461.

General Department,
Secretariat, Fort, Bombay,
2nd August 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—With reference to your letter No. 1444-135, dated the 23rd July 1921 I am directed by the Governor in Council to forward two copies of each of the letters from the Government of India no. S.-183 and S.-217, dated the 29th March 1921, and accompaniments containing the proposals of that Government on the report of the Stores Purchase Committee, and to request that if your Chamber has any views to offer with reference to these proposals, they may be communicated to Government as early as possible.—I have etc.,

S. N. ZIMAN,
Deputy Secretary to the Government of Bombay.

No. S.-183.

Government of India,
Department of Industries,
Delhi, 29th March 1921.

Sir,—I am directed to address you regarding the proposals made in the report of the Indian Stores

Purchase Committee. The origin and terms of reference of this Committee were explained in Resolution No. B.-506-II of the Government of India, dated the 5th December 1919, in which it was stated that the principle of a properly equipped agency in India for the purchase and inspection of stores in India had been accepted by the Secretary of State, and a Committee had been appointed to work out a detailed scheme to give effect to that principle.

2. It will be observed that, though the Committee are unanimous in their view of the advantages which will accrue from the creation of such a Department and generally agree on the main principles of its constitution, several of its members have expressed discordant opinions on more or less important points of detail; in particular, in the joint memorandum signed by Messrs. Collier and Ryan. The Government of India, subject to one or two modifications of importance which are generally in the direction of allowing greater freedom to local Governments, are provisionally inclined to follow the minority memorandum in many respects where it differs from the view taken by the majority.

3. I am further to explain that the Government of India have in order to avoid subsequent delay obtained the sanction of the Secretary of State to the appointment on a temporary basis of the chief departmental officers proposed by the Committee, *viz.*, the heads of the department of the purchasing and inspection branches. The three officers when appointed will be able at once to work out details of organisation, recruitment, and accommodation, and will be available for personal consultation with local Governments on the various points set forth in this letter.

I am to remark in this connection that the Departments of the Government of India, including State-worked Railways, are responsible for so very large a proportion of the stores requirements of Government locally obtained, that the central Stores organisation is not likely to be materially affected in scope by the degree to which local Governments may desire to take advantage of its services, since the necessary equipment of expert purchasing and inspecting officers cannot, with due regard to efficiency, be allowed to fall below a certain minimum, even if the total work of the Department be somewhat less than the Committee have anticipated.

4. As already explained, the Government of India accept, as a working basis, the proposals of the Committee as modified by the minority memorandum. There are, however, certain important matters in respect of which the provisional views of the Government of India depart from this basis, and it is more especially with this points that the Government of India will deal in this letter, though they desire the opinions of local Governments also on such of the Committee's main proposals as are unaffected by the conclusions of the Government of India. A summary of these points will be found in paragraph 17 below.

5. I am in the first place to inform you that in response to a very urgent request from the Secretary of State for an expression of the Government of India's views regarding the allocation of the subject of stores and stationery, the Government of India submitted certain proposals, and in accordance with them Parliament have approved the following classification of Stores and Stationery :—

"Schedule I, Part I. Central subjects, item 22—Stores and Stationery both imported and indigenous, required for Imperial Departments.

Schedule I, Part II. Provincial subjects, item 27—Stores and Stationery, subject, in the case of imported Stores and Stationery, to such rules as may be prescribed by the Secretary of State in Council.

Schedule II. List of provincial subjects for transfer, item 17—Stores and Stationery required for transferred departments, subject, in case of imported Stores and Stationery, to such rules as may be prescribed by the Secretary of State in Council.

Schedule III, rule 1. The previous sanction of the Secretary of State for India in Council is necessary.

* * * * *

(5) to any expenditure on the purchase of imported stores or stationery otherwise than in accordance with such rules as may be made in this behalf by the Secretary of State in Council."

The intention of the Government of India is that all departments of local Governments, whether

reserved or transferred, should be able to make their purchases either through agencies set up by themselves, irrespective of any limitations on quality or price, or through the Central Stores Department, in which case purchases will be subject to the limitations which the Government of India are explaining in this letter and in their letter No. 217, dated the 29th March 1921, on the draft Stores Rules. The only restrictions that the Government of India propose on the purchase of imported stores by local Governments is that, if ordered from the United Kingdom, they must be obtained through the London Stores Department. The rule in question, which should be read with the modification of Schedule III, rule 1 (5), quoted above, runs as follows:—

> 'In the case of purchases made by local Governments none of the above rules shall apply: provided that any such purchases, if from the United Kingdom, shall be made from the London Stores Department in accordance with any rules that may be made from time to time by the Secretary of State, the Government of India, or the Director General of Stores.'

Owing to the urgency of the Secretary of State's communication the Government of India were unable to consult local Governments on the above proposals, which however they believe are sufficiently liberal to command approval.

It is thus clear that the organisation and method of working proposed by the Government of India in this letter and in their letter No. 217, dated the 29th March 1921, on the draft Stores Rules affect local Governments but little, save in so far as they may illustrate the principles which the Government of India have decided to adopt, as most likely to conduce to the encouragement of Indian industries combined with economy of public expenditure; and it is in the hope that these conclusions may be helpful to local Governments that the Government of India have explained them in this letter and in their letter No. 217, dated the 29th March 1921, on the draft Stores Rules.

6. While dealing with the subject of the relations between local Governments and the Central Stores Department, the Government of India think it desirable to draw

the attention of the Government of Bombay to the following matters :—

(*i*) The Government of India trust that provincial Directors of Industries will be able to assist the Stores Department by the provision of intelligence regarding the extent of local manufactures and the currency of local prices.

(*ii*) The services of the inspecting and purchasing officers of the Stores Department and of its organisation for the collection of intelligence will be fully available for the use of local Governments should they so desire it.

(*iii*) The purchase of stationery will be dealt with in a separate communication.

(*iv*) Ordinary local materials, such as sand, lime, bricks, and local timber will be excluded from the scope of the Stores Department.

(*v*) Running contracts for large quantities of material or articles required by numerous indentors will be made when possible.

(*vi*) Purchases on behalf of local Governments electing to make use of the Stores Department's services must be made in accordance with the rules which may from time to time be framed by that department with the approval of the Government of India. It is anticipated that such rules will include the following provisions, (*a*) permission to indenting officers to obtain articles available under running contracts direct, reporting the important purchases to the Stores Department; deliveries in all cases being subject to inspection by the officers of that department: (*b*) a prescription that duplicate copies of indents on the London Stores Department should be sent to the Indian Stores Department which will inform indentors for future guidance when articles included in such indents can be obtained from indigenous stores.

(*vii*) For the reasons given in paragraph 96 of their report the Committee recommended that no charge should be levied on imperial departments, Provincial Governments and railway companies for the services of the Indian Stores Department, but they considered that Indian

States, municipalities, etc., should be asked to make a reasonable payment for the services of the department. In view, however, of the new relations between central and provincial revenues and of the fact that full recovery will be made in the case of 'agency' work undertaken by the provinces for the central Government, the Government of India consider that it will be necessary to levy departmental charges in the case of supplies made by the Indian Stores Department to Provincial Governments. It has been decided tentatively to levy a charge of 2 per cent. in the case of supplies to Provincial Governments made through the Indian Stores Department. A similar percentage will be charged in the case of Indian States, municipalities, etc., while the same principle will, it is intended, be followed in the case of stores supplied to Railways and the commercial and quasi-commercial Departments of the Government of India.

7. I am to explain that the Government of India are unable to acquiesce in the far from unanimous conclusion of the Committee in favour of locating the headquarters office of the Stores Department at Calcutta. The Government of India agree with the Committee that the arguments in favour of accepting Cawnpore or Bombay as the headquarters are not very convincing, and the only alternatives that require serious consideration are Calcutta and the headquarters of the Government of India. In favour of Calcutta are the obvious advantages that arise from close and constant touch with important markets and manufacturing centres and possibly some economy in staff. On the other hand, an organisation with a large commercial centre as its base of operations will to some extent tend to favour that centre at the expense of other centres. This cannot fail to arouse dissatisfaction which the Government of India are constrained to admit might not be without some practical justification, and they feel it to be a matter of great importance to hold the scales evenly in the allocation of Government purchases between all centres of manufacturing and trading interests throughout the country. The only method in which this can be done is by locating the headquarters office of the Stores Department at the headquarters of the Government of India, a course which indeed offers many practical ad-

vantages. Large running contracts for such supplies as steel, leather and textile manufactures are perhaps the most important individual pieces of work that will fall to be performed by the Stores organisation. These will in practice always have to be dealt with at Simla or Delhi, where the heads of the great consuming departments and of the Department of Industries can most conveniently meet the principal officers of the Stores Department and representatives of manufacturers. The location of the Central Stores office at Simla and Delhi will have the incidental advantage of facilitating the rapid disposal of questions relating to the working of that department that may arise in the Legislative Assembly, or of enquiries and complaints addressed to the Government of India by commercial bodies or private individuals. Finally it is important that the Department of Stores should not adopt an attitude of departmental aloofness in its dealings with the consuming departments which it will be created to serve. Location at a distance from the headquarters of the Government of India will certainly tend to foster such an attitude. The balance of advantage, therefore, seems to lie with the choice of Simla and Delhi as the headquarters of the Stores organisation.

8. The Government of India think it desirable to modify the titles suggested by the Committee for certain of the officers of the department. They propose that the head of the department should be entitled the Chief Controller of Stores, and that the head of the inspection branch should be called the Chief Inspector, his subordinate gazetted officers being entitled Inspectors or Assistant Inspectors according to their status and responsibilities.

9. The Committee in paragraphs 151, 157, 166 and 197 of their Report propose the creation of provincial agencies at Calcutta, Bombay, Madras, Cawnpore, Lahore and Rangoon. The functions proposed for these agencies are as follows:—

(1) to receive local demands and make purchases locally, or pass on the demands to the central office, and in special cases to make local purchases on behalf of headquarters;

(2) the collection of local industrial intelligence and the dissemination locally of information regarding other provinces;

(3) to take administrative charge of inspection depots and pattern rooms;

(4) to keep in touch with, assist and advise local indenting officers.

Although these proposals are substantially in accord with the recommendations of the conference of Directors of Industries held at Simla in April 1920, the Government of India do not see their way to support them. It will be impossible to appoint local officers with special knowledge of more than one class of articles; and for other classes their knowledge will contrast unfavourably with that of local officers of the Public Works and Industries Departments and they are therefore not likely to command the confidence of, or render real assistance to, indenting departments of local Governments. Local Governments will naturally desire in many cases, to create their own local stores organisations; and while they will doubtless welcome the advice and assistance of an expert and fully equipped central Stores Department, are unlikely to use the service of non-expert provincial agents, whose position on the other hand might lead them to attempt undesirable interference and to create friction between local Governments and the central Stores Department. The provincial agencies proposed by the Committee are moreover obviously inadequate for the work to be performed at large centres like Calcutta and Bombay, while they are probably in excess of the requirements in some of the less developed centres. The Government of India propose, therefore, to locate a stronger and more specialised local staff at the main purchasing centres and to postpone for the present any attempt to create a local purchasing agency elsewhere, relying in the meantime for the collection of intelligence on the local Directors of Industries and on the local commercial intelligence staff (on the creation of which they have already consulted you in their letter No. 7658, dated the 22nd September 1919). Their proposals for the local purchasing staff at Calcutta and Bombay include the following appointments:—

Location.	Class of purchases.	Salary.
		Rs.
Calcutta	Engineering Miscellaneous ...	(1) on 1,800
		(1) on 1,000
		(1) on 1,500
Bombay	Textiles Engineering ...	(1) on 1,800
		(1) on 750
		(1) on 1,500
Cawnpore (probable) ...	Leather and Textiles ...	(1) on 1,500

In addition to the above staff, inspecting officers will be located at these centres and at Jamshedpur, as explained in paragraph 11 below.

10. The Government of India do not think it possible under present circumstances to give effect to the proposals in paragraphs 168 and 169 of the Committee's report for the purchase and inspection of timber, including sleepers. The main objection to such a proposal is the impossibility of securing under existing conditions the adhesion of company-worked lines to this scheme. The Government of India therefore prefer to maintain for the present the existing organisation created for the purchase of sleepers by the Railway Board, and to await the falling in of the contracts of company-worked lines, when they will be in a position to impose on such companies, should it be so decided, the obligation to purchase sleepers or other stores through the Stores Department. The elimination of sleeper purchase from the Committee's scheme leaves too small a balance of other timber purchases to justify the creation of any special agency under the Stores Department, although it should be possible to centralise the purchase of timber for Government requirements, in Burma at any rate, under some special agency of the Forest Department.

The Government of India agree in the conclusion of the Committee as expressed in paragraph 188 of their Report that there are certain classes of stores, orders for which can be bulked by a central agency with great advantage. But in addition to the classes of articles enumerated in paragraph 188 (*i*) to (*iii*), there is an even more important class which should also be included in the procedure proposed for the purchase of these classes of stores, *viz.*, 'steel and iron as produced by the blast furnace, steel hearths or rolling mills and not further, manufactured into articles, but including steel intended for structural work.'

11. The only remarks which the Government of India find it necessary to make regarding the inspection branch relate to the location of the superior staff. The Committee appear (paragraph 151 of the Report) to contemplate that the officers whom they designate as Chief Inspectors, though touring generally, should have their headquarters with the central office of the department. Though there are some arguments in favour of this proposal, the Government of India prefer to locate each of these officers, whom they prefer to call inspectors, at

the centre where the class of manufacture with which he deals is most developed. This will enable some reduction to be made in the local staff proposed by the Committee, though it will influence their efficiency, especially in the collection of intelligence; will keep inspectors in close touch with manufacturing conditions; will assist them to improve local manufactures in the way contemplated by the Committee; and will strengthen their control on their subordinate staff. The location provisionally contemplated by the Government of India is the following:—

Location.	Functions of Inspectors.
Calcutta	Structural and Railway; Mechanical and Electrical.
Cawnpore or Calcutta ...	Leather.
Bombay	Textiles.
Jamshedpore	Metallurgical.

12. The Committee have made no definite proposals for the financial powers of the Chief Controller of Stores. The Government of India are of opinion that he should obtain their sanction to any of the following transactions:—

(*a*) to any contract involving the expenditure of more than Rs. 60 lakhs in any one year;

(*b*) to purchases in excess of actual indents;

(*c*) to running contracts which would bind Government to purchase more than its total estimated requirements;

(*d*) to any purchase involving the payment of an amount in excess of the market price with a view to encouraging indigenous production, or the grant of a bonus on production. (These questions will be dealt with in greater detail in paragraph 13 below);

(*e*) to contracts exceeding 3 years and involving expenditure of over Rs. 1,00,000 in any one year;

(*f*) to the writing off of losses owing to mistakes in purchase or inspection resulting in losses which cannot be fairly debited to indenting departments.

The Government of India propose that, when the Chief Controller of Stores, the Chief Inspector and the Director of Contracts and Intelligence have been appointed, they should make the necessary initial recruitment, with the advice of temporary local committees; and that subsequent regular recruitment should be made through the Public Services Commission.

13. The Government of India approve most of the recommendations for the encouragement of indigenous manufactures set forth in paragraphs 101-107 and in Chapter V of the Committee's report, subject to the following remarks :—

(*i*) They are considering separately the proposals of the Committee made in paragraph 104 of their report regarding the grant of favourable railway rates.

(*ii*) With reference to the Committee's remarks on the effect of the increase in the sterling value of the rupee on the prosperity of Indian manufacturers, the Government of India do not consider that any sufficient proof of inability on the part of Indian manufacturers to compete at the recently high exchange rates has been adduced by the Committee; nor has a sufficient degree of stability been reached in respect either of the exchange rate, as is shown by the recent fall, or of the cost of manufacture and transport in England and India, to enable the position to be estimated with any certainty. They will, however, watch carefully the effect of the above conditions on the prosperity of Indian manufacturers.

(*iii*) The Government of India desire to direct the particular attention of local Governments to the very difficult question dealt with in paragraph 103 of the Committee's report, namely, the idea of paying prices higher than market prices for a locally made article in order to encourage indigenous manufacture. The alternative proposal, of accepting goods of inferior quality, the Committee rightly condemn as likely to lead to abuse. The Committee's proposal is "that the additional cost involved should not usually fall on the consumer but be allocated to a special head from which

grants should be made by the Imperial or local Governments as the case may be." Under the proposals of the Government of India for the allocation of functions explained in paragraph 5 above, local Governments, as already pointed out, will have full power to pay whatever price they may see fit for indigenous or even for imported stores. The Government of India however feel it necessary to point out the dangers attending the use of this power. The working of the Stores Department, whether imperial or provincial, should be governed strictly by business standards both as regards price and quality, and any departure from these standards may lead, not only to extravagance or possible corruption, but to the grant of support to a provincial manufacture to the detriment of a similar industry in an adjoining province. These considerations will doubtless engage the anxious attention of local Governments; and it is presumed that they will desire to exercise these powers only sparingly and under proper safeguard. A check on their procedure will be provided by the Committee on public accounts. The Central Stores Department will always be ready to assist the Finance Departments of local Governments with any information that may be needed for the proper presentation to the public Accounts Committee of cases of undesirable procedure. For purchases with which the Government of India are themselves concerned, they would only permit this form of assistance in very special cases; their sanction will be required in each instance, and would be given only after careful consultation with the consuming department and other interests concerned. In their view if it is desired to encourage an indigenous industry by any form of purchase on favourable terms, this should be by way of an openly declared bounty applicable to the whole country and the entire production of the industry wherever it exists, not by the payment of a bonus only on the articles consumed by Government. The payment of a bounty in this way is, it is clear, a form of fiscal protection; and the country as a whole will not get the benefit of

such protection unless its precise terms are made known to the public. Any form of protection that can be given haphazard, or which absolutely prevents outside competition, is not likely to do permanent good to the industries of the country. The grant of bounties of this sort cannot be lightly resorted to, since it will involve the provision of a careful check over the number of articles actually produced, in order to avoid fraud, which can only be prevented through constant local inspection. The Government of India feel that the question of encouragement by either of the above methods of local industries is fraught with serious difficulties and dangers, and should not in any case be undertaken without the most careful consideration.

14. The purchase of imported stores is a matter on which the Members of the Committee have exhibited a considerable divergence of opinion. The proposals of the Government of India regarding the allocation of functions to the departments of local Governments have, however, eliminated almost entirely, it is hoped, the causes of variance, so far as the departments of local Governments are concerned. Local Governments will have a free hand to purchase all kinds of Stores either through the central Stores Department, or through their own agency. The operations of the central Stores Department should, the Government of India think, be governed in this respect by existing rules with the few relaxations that are proposed by them or by the Committee. These provisions have in the past operated generally in the direction of economy. The Government of India are well aware of the difficulties which these provisions entail; but they trust that the relaxations proposed by them have removed the most serious objections; and it will be open to local Governments, if they prefer a less restricted though possibly less economical method of purchase, to set up their own agencies. With regard to the main principle of the purchase, of imported stores, the Government of India find themselves in general agreement with the minority proposals, and propose to follow them, so far as their own purchases are concerned, for the following reasons. Too free local purchase of imported stores will tend to discourage the replacement of imports by local manufactures, and to strengthen the existing vested interests which have

preferred in the past an easy profit from the sale of imports to risking their money in attempts to produce locally. The Government of India also think it probable that the free local purchase of imported stores will not be in the interests of economy. This question has in the past been the subject of much dispute, which can only be settled effectively with the help of a local agency for purchase and inspection. The practical experience of such an agency will enable the Government of India and local Governments to decide to what extent and in what cases the local purchase of imported stores is advisable.

15. The position of the London Stores Department has been dealt with in paragraphs 44 and 45 of the majority and in paragraphs 14, 15, 23 and 26-30 of the minority memorandum. The Government of India agree with Messrs. Collier and Ryan's memorandum in holding that two separate Stores Departments, one in England and one in India, with entirely separate responsibilities and fields of action, the one controlled by the Government of India through the High Commissioner, and the other by the Department of Industries, is an arrangement which can be worked without difficulty or friction; they see obvious objections to the dual control of the London Stores Department by the High Commissioner in London and by a subordinate Department of the Government of India in Simla-Delhi. The appointment of a High Commissioner in London subordinate to the Government of India renders it possible to secure that the London Stores Department shall work in accordance with the declared policy of the Government of India in favour of obtaining an ever increasing proportion of its requirements from Indian manufacturers; and will confine itself to the necessary duty, which it has hitherto fulfilled, of providing such stores as have still to be obtained from overseas, with the greatest possible economy, efficiency and despatch.

16. I am to explain that the opinion of local Governments will be separately invited on the draft rules for the purchase of Government stores proposed by the Government of India.

17. SUMMARY OF PROPOSALS; AND SUGGESTIONS FOR IMMEDIATE ACTION.

Location.

(1) Headquarters of Stores organisation to be with the Government of India (Report, paragraphs 152-156).

(2) Head of organisation to be styled Chief Controller of Stores, and to receive a salary of Rs. 3,000—100—3,500 (Report, paragraphs 163 and 197).

(3) Committee's proposal to create provincial agencies at Madras, Lahore and Rangoon not supported. Purchasing officers to be appointed at Calcutta and Bombay (one on Rs. 1,800 and one on Rs. 1,500, at each and assistants on Rs. 1,000 and Rs. 750 at Calcutta and Bombay respectively); and possibly a man on Rs. 1,500 will be found necessary at Cawnpore (Report, paragraphs 151, 157, 166 and 197).

Intelligence and price comparison.

(4) Industrial Intelligence to be provided by purchasing and inspecting staff, Directors of Industries and the Commercial Intelligence Department. It should be compiled by purchasing officers, and Controller of Provincial agents and intelligence proposed by Committee is not required. An officer may be needed for miscellaneous intelligence (Report, paragraphs 165 and 197).

Purchasing organisation.

(5) Purchasing officers to be controlled by a Director of Contracts and Intelligence of Rs. 2,000—100—2,500 (Report, paragraphs 164, 183 and 197).

(6) Possibility of Committee's proposed organisation for timber and sleeper purchase depends on concurrence of company-worked lines. Centralised purchase of timber in Burma might be carried out by Forest Department, if above arrangement has to be postponed (Report, paragraphs 168 and 169).

Inspection arrangements.

(7) Appointment of a Chief Inspector on Rs. 2,250—100—2,750 against Rs. 3,000 proposed by Committee (Report, paragraphs 173, 183 and 198).

(8) Stores organisation to inspect all purchases by specially exempted Departments (Report, paragraphs 120, 121, 122 and 147).

Powers and finance of purchases.

(9) Chief Controller of Stores to have full powers in respect of purchase, subject to obtaining sanction of the Government of India :—

(*a*) to any contract over 16 lakhs in any one year;

(*b*) to purchases in excess of indents;

(c) to contracts binding Government to buy more than estimated requirements;

(d) where it is proposed to allow a premium over and above market price to encourage indigenous production or to give a bonus on production (the latter of which courses is greatly preferred);

(e) to contracts exceeding 3 years and involving expenditure of over Rs. 1,00,000 in any one year;

(f) to write off losses owing to purchase of unsuitable stores.

(10) Indenting departments, including provincial Governments, Indian States and semi-public bodies, to be debited with estimated proportionate cost of purchasing organisation. (Report, paragraphs 96, 209 and 210).

(11) Any increase in cost of stores over original estimate to be intimated to the indentor at once (Report, paragraph 202).

(12) Payment should be prompt, and interest may be sometimes paid in case of delay (Report, paragraph 203).

Initiation of Department, recruiting and deputation.

(13) Sanction of the Secretary of State to be obtained for the Department to be started by appointment of the Chief Controller, the Chief Inspector and the Director of Contracts and Intelligence (Report, paragraphs 184 and 185). Sanction has been obtained to this proposal.

(14) Other initial recruitments to be made by Chief Controller with the advice of temporary local Committee; subsequent regular recruitment to be through Public Service Commission (Report, paragraphs 195-199).

(15) Officers should be deputed from London Stores Department to Stores Department in India *vice versa*; and officers might be occasionally deputed to Stores Department in India from the main consuming Departments Report, paragraphs 198 and 199).

Liability of Government Departments to purchase through Stores Agency and methods of purchase.

(16) It will be optional for local Governments, company-worked railways, semi-public bodies and Indian States to

obtain their requirements through the Stores Department. All Departments of the Government of India must obtain from the Stores Department such stores as are not specially excepted from its operations; provided that certain technical Departments may make their own local purchases of specialised engineering plant and machinery. The Medical Department should follow existing arrangements (Report, paragraphs 92, 95, 147, 149 and 188).

(17) Coal, stationery and ordinary local materials such as sand, lime, bricks, jungle timber to be excepted from the scope of the Stores Department (Report, paragraphs 147 and 148).

(18) Demands from numerous indentors for same class of material or article should, when possible, be combined into a running contract (Report, paragraph 189).

(19) Requirements included in annual indents should be notified to the Chief Controller of Stores in the case of all articles included in headings (*i*) to (*iii*) of paragraph 188 of the Committee's Report and of certain classes of iron and steel by all departments; and of all articles by the Army, except the Ordnance Factories and Military Works Service. When such articles are included in running contracts, indenting officers should purchase direct under such contracts. Purchases under supplementary indents should be made (*a*) in the case of a running contract by the indentor under that contract; (*b*) in other cases by the indentor, if within his financial powers; if not, by the Chief Controller of Stores [Report, paragraphs 147-(*c*) and 189].

(20) Duplicate copies of indents on the London Stores Department should be sent to the Chief Controller of Stores, who will inform indentors for future guidance when articles so included can be obtained of indigenous manufacture. This procedure would not apply to indents for lethal weapons and ammunition. (Paragraphs 18, 19 and 22 of Messrs. Collier and Ryan's memorandum).

(12) Stock depôts not recommended (Report, paragraphs 17-21).

Special methods of encouragement to indigenous production.

(22) Firms may be given guaranteed orders in certain cases [Report, paragraph 101 (*a*).]

(23) In certain cases of local manufacture, contracts should include clause permitting variations in price to meet changes in wage rates and cost of materials (Report, paragraph 107).

(24) Committee's recommendations to meet losses to Indian manufacturers caused by rise in exchange postponed for consideration when conditions are more settled and more definite information is available (Report, paragraphs 105-106.)

(25) Manufacture of articles which can be purchased from private producers should not be carried out in Government factories, unless special military considerations exist or unless special reasons exist which must be reported to the Government of India; and Stores Department should watch to what extent this provision is complied with (Report, paragraphs 76-90).

(26) Where purchases are made at rates above normal to benefit an industry where bonuses are given extra cost should be borne by general revenues of Government, see also item 9 (*d*) above (Report, paragraph 103).

Purchase of imported stores.

(27) Local purchase of imported stores should not be permitted as a general rule; and Stores Rules contain certain restrictions on this practice. Working of this principle should, however, be watched by the Chief Controller of Stores. (Paragraphs 6-15 of Messrs. Collier and Ryan's memorandum).

(28) Purchases of imported stores may be made from branches of manufacturing firms under certain conditions. (Paragraph 12 of Messrs. Collier and Ryan's memorandum).

Powers of local Governments in respect of stores purchase.

(29) Purchase of stores required for Imperial Departments should be a central subject. Stores may be obtained by reserved or transferred Departments either from the central Stores Agency, or through agencies created by themselves, provided that in the former case such purchases must be subject to the Stores Rules and to such other rules as may be made for the guidance of

the Central Stores Department: and, in the case of purchases made from the United Kingdom, to such rules as may be made from time to time by the Secretary of State, the Government of India or the Director General Stores.

(30) Local Governments should be permitted to purchase imported stores except that, in the case of stores ordered from the United Kingdom, they should be indented for through the London Stores Department (Report, paragraphs 91-96 and 221).

Position of London Stores Department.

(31) The London Stores Department should be independent of the Stores Department in India, and should be controlled by the Government of India through the High Commissioner. Articles manufactured in other countries than the United Kingdom should be purchased through the London Stores Department, except where their purchase in India is permitted under the Stores Rules. The London Stores Department should continue to transmit stores obtained from military and naval organisations of the British Government (Report, paragraphs 44, 45, 114 and 115 and paragraphs 14, 15, 23 and 26-30 of Messrs. Collier and Ryan's memorandum).

18. I am to request that the opinions of local Governments may be forwarded to the Government of India not later than the 1st July 1921.—I have etc.

A. C. CHATTERJEE,
Secretary.

No. S.-217.

Government of India,
Department of Industries,
Delhi, the 29th March 1921.

The Secretary to the Government of Bombay,
General Department.

Sir,—I am to invite the opinion of the Government of Bombay on the accompanying draft of revised rules for the purchase of stores for the use of Government Departments. The necessity of recasting the rules arises from the proposals of the Stores Purchase Committee, who

have dealt with the question of the rules in their report. The views of local Governments on the remaining proposals of the Committee are being asked in the letter from this Department No. S.-183, dated the 29th March 1921. Many of the remarks and explanations contained in that letter will be found relevant to a consideration of the present subject under reference; but the Government of India consider that it will be more convenient to local Governments if the subject of the stores rules be dealt with separately. It will be observed that the rules have been divided into two parts, the latter of which applies to Governors' Provinces.

2. I am now to explain the tentative views of the Government of India regarding the draft rules which are attached to this letter.

Preamble.—It is obviously desirable, and the Government of India proposed to the Secretary of State in 1907, that a distinct declaration should be made in the rules of the Government of India in favour of the purchase of stores of indigenous manufacture.

Rule 1.—The expression 'the price not unfavourable' appears to the Government of India preferable to the expression 'the price reasonable' used by the majority of the Committee. The expression 'not unfavourable' calls for a comparison of prices, but does not prevent the purchase of indigenous stores at a negligible excess cost. It also permits other factors of economy, such as promptitude of delivery, being taken into account. This is desirable, since there are many cases where no definite loss can be pointed to as likely to arise from delay, though there is a general advantage in promptitude.

Rule 2.—Condition (*b*) which deals with manufacture from imported materials is less favourable to the Indian manufacturer than Rule 1, which relates to purely indigenous manufactures.

Rule 2 (*b*).—Postulates a stricter comparison of price than Rule 1. There are various instances (*e.g.*, the manufacture of wagons and girders from steel plates) in which manufacture from imported materials will shortly be in direct competition with manufacture from indigenous materials, and the necessity of the differentiation is of some importance.

Rule 3.—The Government of India have considered the desirability of modifying the form in which this rule is cast, but are of opinion that such a course is not at present desirable. In the draft rules prepared by the Government of India in 1907, purchase in India of imported stores was made the rule to which certain exceptions were permitted. The present draft makes the purchase of such stores through the London Stores Department the rule, and local purchases the exception. In the opinion of the Government of India, though the form of the 1907 draft is theoretically preferable, it is safer to retain for the present the general prescription in favour of purchases from the London Stores Office, and to increase the number of exceptions as experience is gained, than to call on the new organisation proposed for the purchase of stores in India to work on so important a modification of the principles hitherto observed.

Rule 3 (a).—The Government of India have modified the draft of the minority memorandum, so as to permit the purchase of articles which are on their way out to India, as is proposed in draft rule 5.

Rule 3 (c).—This portion of the rule is based on the proposal made by the Government of India in 1913 and repeated in 1917, modified in difference to certain criticisms made by the Secretary of State. With reference to the general provisions of this rule in favour of purchases from branch firms, the Government of India are in full agreement with the views of the Industrial Commission (paragraphs 83 and 194 of their Report) and of the Stores Purchase Committee (paragraph 112 of their Report) that the setting up of branches of British manufacturing firms in India will encourage the development of local manufacture and is, indeed, in the case of many important industries, the only practical means of introducing certain specialised forms of manufacture into the country. It was originally proposed to include a list of firms from which purchases might be made and of articles which might be purchased. The Government of India found that the list of articles gave great trouble in compilation, while this list and the list of firms are liable to constant changes; and it appears preferable to leave the compilation of these lists to the Chief Controller of Stores. The proposal to include fully equipped technical agents, who differ in name and legal constitution only from branches of firms, is necessary.

Condition (*i*) has been added by the Committee to meet the criticism of the Secretary of State that the ordering should be done by an expert, and not by an unspecialised departmental officer.

Condition (*v*)—The Government of India propose to raise the limit of Rs. 20,000 to Rs. 50,000.

Condition (*vi*)—The suggestion was made by the Secretary of State that plant which is of such a nature that defects in it may lead to loss of life or serious injury to the public service should be excluded entirely from the scope of this rule. Condition (*vi*) has been introduced to obviate the objection, the proposed condition of "works inspection" affording the necessary safeguard.

Rule 5.—The Government of India invite attention to the addition of the expression 'in case of emergency' to the existing conditions 'when inconvenience to the public service would be caused' and 'when owing to the greater promptitude of supply an economy could be effected.' This addition will enable purchases to be made without the necessity of proof that loss would occur if the indent were sent home. When a work is urgent and the risk of delay must be avoided, then, if it is known that stores of suitable quality and price can be procured in India, it is obviously sound to eliminate the risk, even if that risk cannot be exactly estimated.

Rule 7 (viii).—The Government of India's draft cancels the existing permission to purchase Australian lead locally; now that Burma lead of excellent quality is available, there seems to be no reason for this permission.

Rules 8 and 9 of the existing Stores Rules are omitted from the draft for obvious reasons.

Rule 8 (1).—The mention of specific sums representing interest, insurance and freight brokerage is omitted, since such charges are at present fluctuating.

Rule 11.—The sanctioning powers of purchasing officers are increased, and this partly follows from the general rise in prices. The separate limits which previously existed for purchases under rules 3 and 5, should, the Government of India agree, now be amalgamated.

Rule 13.—This rule has been added in order to make effective the Government of India's proposals to grant full liberty, with one trifling exception, to local Governments in respect of their purchases of all classes of stores.

3. I am to request the favour of an answer to this letter by the 1st of July 1921.—I have etc.,

A. C. CHATTERJEE,
Secretary.

PROPOSED RULES FOR THE SUPPLY OF ARTICLES FOR THE PUBLIC SERVICE.

Preamble.

The policy of the Government of India is to make its purchases of stores for the public service in such a way as to encourage the industries of the country, so far as is consistent with economy and efficiency. In pursuance of this policy the following rules are issued for the supply of articles for the public service. These rules, which are subject to any instructions regarding specific articles which have been or may be issued by the Government of India from time to time (*e.g.*, those relating to the supply of stationery), supersede all previous orders which are not explicitly continued.

RULES APPLICABLE TO THE GOVERNMENT OF INDIA AND TO PROVINCES OTHER THAN GOVERNORS' PROVINCES.

RULE 1.—*Articles manufactured in India from Indian materials.*

All articles which are produced in India in the form of raw material, or are manufactured in India from materials produced in India, should, in preference to articles not manufactured in India or wholly or partly manufactured in India from imported materials be purchased locally, provided that the quality is sufficiently good for the purpose, and the price not unfavourable.

RULE 2.—*Articles manufactured in India from imported materials.*

All articles wholly or partly manufactured in India from imported materials should, in preference to articles not manufactured in India, be purchased in India, subject to the following conditions :—

(*a*) That a substantial part of the process of manufacture of the articles purchased has been performed in India.

(*b*) That the price is as low as that at which articles of similar quality can be obtained through the Store Department, London.

(*c*) That the materials employed are subjected to such inspection and tests as may be prescribed by Government of India.

Note—The term "a substantial part of the process of manufactures" in clause (*a*) means that a substantial part of the preparation of the finished article must be performed in India, whether from raw materials or from component parts obtained in a finished state from other sources.

RULE 3.—*Articles which are not manufactured in India.*

Articles which are not manufactured in India should be obtained by indent upon the Store Department, London, except in the following cases :—

(*a*) When the articles are already in India at the time of order or are already on their way out, and their price and quality are not unfavourable as compared with those at which similar articles could be obtained through the Store Department, London, and the cost of the supply does not exceed the limits prescribed in Rule 11. When the total value of the articles required is trifling it is generally desirable to purchase them locally.

(*b*) In the case of important construction works let out on contract, articles not manufactured in India required for the construction of such works may be supplied by the contracting firm subject to the following conditions :—

(*i*) That the firm is approved by the Government of India and is included in the list of firms so

approved. A list of firms which have been approved up-to-date is given in Appendix A to these Rules.

(*ii*) That the materials are subject to the current specifications and tests prescribed by the Government of India.

(*c*) Plant and machinery and component parts thereof may be purchased from branches* established in India of British manufacturing firms borne on the list of the Store Department, London, and approved by the Chief Controller of Stores, India, provided that following conditions are observed :—

(*i*) That the purchase is made by the Chief Controller of Stores, India, or by a highly qualified engineer directly responsible to the Government of India for the order so placed.

(*ii*) That the plant and machinery are of standerd patterns such as are ordinarily manufactured by the firm; and have actually been so manufactured.

(*iii*) That the branch firm entertains a staff of expert mechanics capable when so required of erecting and repairing the plant and machinery which it supplies.

(*iv*) That the actual price of the articles (exclusive of any expenditure representing cost of erection) is as low as that at which articles of the same make can be supplied by the Store Department, London.

(*v*) That the cost of supply under any one order or detailed estimate, in respect of any one type of standard plant or machinery, does not exceed Rs. 50,000.

(*N. B.*—Care must be taken to prevent order being split up in such a way as to evade the intention of this condition).

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* Branches may be held to cover approved technical agents of British manufacturers who do not merely act as selling agents but are also in a position to render the same kind of technical assistance in India as actual branches of the firms.

(*vi*) That when test or inspection of the plant or machinery during manufacture or before shipment is necessary or desirable, arrangements should be made for such test and inspection to be carried out by the Store Department, London.

Note.—It should clearly be understood by indenting officers that this rule is subject to the preference which should be given under Rules 1 and 2 to articles of Indian manufacture.

RULE 4.—*Articles which should be purchased in India.*

The following articles, whether manufactured or produced in India or not, should be purchased in India provided that they comply with the current specifications, are of the requisite quality, and can be obtained at a not unfavourable price :—

(*a*) Those of a perishable nature.

(*b*) Explosives.

(*c*) Block tin.

(*d*) Wines and spirits and English bottled beer for the use of Government hospitals in India.

(*e*) Kerosine oil.

(*f*) Plant and materials for electric installations intended to take current from existing centres; and small electrical power and lighting plants of not more than 25 kilowatt capacity, which involve the provision of generators and cables for distribution provided they comply with the current specifications and tests prescribed by the Store Department, London.

(*g*) Australian timber.

(*h*) Australian copper.

(*i*) Italian marble.

(*j*) British Columbian timber.

(*k*) Plant and materials for small gas installations the cost of which does not exceed Rs. 15,000.

(*l*) Cheap articles of common use required in small quantities only.

(*m*) Such other classes of articles as may from time to time be prescribed by the Government of India. All such cases should be reported to the Secretary of State for his information.

RULE 5.—*Special purchases in India.*

In cases of emergency, or when inconvenience to the public service would be caused by waiting to obtain an article from England through the Store Department, London, or when, owing to the greater promptitude of supply, an economy can be effected by purchasing in India articles which, under the foregoing rules, should be obtained through that Department, the purchase may be made in India, subject to the limits prescribed in Rule 11; provided that the articles are in India at the time of order or are already on their way out. In such cases if the value of the articles exceeds Rs. 1,500 the sanctioning officer should place on record the reasons which make the local purchase desirable. This record shall be available for the inspection of the Examiner of Accounts or the supervising officer when required.

RULE 6.—*Inter-departmental purchases.*

Nothing in the rules is to be deemed to prohibit the purchase of stores of European manufacture by one department or railway from another.

RULE 7.—*Method of obtaining stores not purchased in India.*

All articles which, under the foregoing rules, are not to be bought in India, should be obtained by indent on the Store Department, London, except any which the Secretary of State may have specially authorised the Government of India or its officers to purchase direct outside India. Such purchase is at present permissible in the case of the following articles:—

(*i*) Seeds.

(*ii*) Cinchona bark.

(*iii*) Articles for experimental or research purposes required by officers approved by the Government of India from time to time. A list of the officers thus approved is given in Appendix B.

(*iv*) Excise instruments and apparatus required by provincial Excise Departments for experimental or research purposes.

(*v*) China, glass, cutlery, plate, crockery and perishable fabrics, including linen for residences which are furnished by Government.

(*vi*) Australian timber.

(*vii*) British Columbian timber.

(*viii*) Such articles as Superintendents of Vaccine Depôts may require for the preparation of vaccine lymph (*e.g.*, lanoline and glycerine).

(*ix*) Chemicals and scientific instruments which do not require careful inspection and testing or which are of standard description usually quoted by well-known firms, provided that the articles cannot be procured from the Medical Store Depôts.

(*x*) Articles required for Viceregal residences in special and urgent cases.

Note.—Payments for stores purchased under this rule should be made direct to the suppliers by the purchasing officers.

RULE 8.—*Method of comparing prices.*

In all cases in which the selection of source of supply depends upon comparison of prices the procedure to be adopted for such a comparison is as follows:—

(*i*) A reference should be made to Home prices notified continually by the Store Department, London, to the Chief Controller of Stores, India, or as otherwise ascertained, and freight should be added at the current rates paid by the Store Department, London, together with such charges for interest, insurance, and freight brokerage as may be declared from time to time by the Chief Controller of Stores.

(*ii*) In cases of important contracts, the prices ruling in the English market should be ascertained by telegraphic reference to the Store Department, London.

(*iii*) In cases where the necessary information as to Home prices is not available the purchase in India shall be subject to the condition that the price is not unfavourable.

(*iv*) In order to arrive at the market value at an Indian port of the article imported from

England the following charges shall be included:—

(*a*) Landing, wharfage, and port charges.

(*b*) Customs duty as shown in the tariff to be applicable to the article in question, to be calculated on its cost *plus* the additional charges mentioned in the earlier part of this rule.

(*v*) The cost of carriage to site from port or place of manufacture, as the case may be, shall be taken into account.

RULE 9.—*Tests.*

Any articles purchased in India which should be tested are liable to the specifications laid down from time to time by competent authority, with the approval of the Government of India, and should be required to pass the tests prescribed for such articles.

RULE 10.—*Firms from which iron and steel may be bought in India.*

Important iron and steel work, if purchased in India, should only be obtained from firms approved by the Chief Controller of Stores and entered in a Schedule as corrected from time to time by that officer. A list of approved firms is given in Appendix C.

Note.—By "important iron or steel work" are meant articles of iron or steel which form important components of the project in hand, *e. g.*, bridge girders and roof trusses, built up in the firm's workshops and supplied ready for erection, in such sections as may be convenient, and rolled steel beams, rails or other sections cut to length or otherwise prepared at the firm's workshops to suit the indenting officer's requirements. The intention of the rule is to ensure that parts, the accurate preparation of which is essential to the security of a project, shall be obtained only from firms which possess workshops and appliances capable of turning out work of the desired standard. The raw materials used may be either imported or of Indian manufacture, subject to the usual specifications.

RULE 11.—*Financial limits on powers of officers to make purchases in India.*

In the case of purchases made under Rules 1, 2 and 4, an officer's powers of purchase extend to the ordinary limits to which he is empowered to enter into contracts: but in the case of purchases made in India under rules 3 (*a*) and (*c*) and 5, the limits for expenditure on any one

article or on any number of similar articles purchased at one time are as follows:—

In respect of rules 3 (a) and 5.

(a) Civil Departments.

	Rs.
(*i*) Heads of Departments, Commissioners of Divisions, other officers of or above the rank of Collector whom the Local Government may select	500
(*ii*) Other Officers authorised to incur expenditure	100
(*iii*) Controller of Printing, Stationery and Stamps	2,000
(*iv*) Surveyor General of India ...	Full powers.
(*v*) Agricultural Adviser to the Government of India and Director of the Agricultural Research Institute, Pusa	"
(*vi*) Director-General of Observatories ...	"
(*vii*) Director-General, Posts and Telegraphs ...	"
(*viii*) Political Resident, Persian Gulf ...	"
(*ix*) Chief Commissioner, Andaman and Nicobar Islands	"
(*ix*) Local Government	"
(*x*) Mint Masters	"

(b) Public Works Department.

(*i*) Executive or Assistant Engineer holding charge of a Division	1,000
(*ii*) Superintending Engineer or Superintendent of Works	5,000
(*iii*) Local Government	Full powers.

(c) Railway Department.

(*i*) Executive or Assistant Engineer holding charge of a Division on a line under construction or survey ...	1,000
(*ii*) Engineer-in-Chief holding charge of a line under construction or survey ...	5,000
(*iii*) Agent of an open line	10,000
(*iv*) Railway Board	Full powers.

Note—Agents of open lines may delegate to their Engineers-in-Chief, Executive Engineers, or Assistant Engineers holding charge of a division, such power of purchase as they deem fit up to the limits specified for lines under construction, and to their Chief Storekeepers up to the limits specified for Executive Engineers.

(*d*) *Army Department.*

		Full powers. Rs.
(*i*)	Director-General of Military Works	
(*ii*)	Divisional Commanders and Director-General, Indian Medical Service* ...	10,000
(*iii*)	Officer Commanding an independent brigade; Director-General of Ordnance*; Director of Equipment and Ordnance Stores*; Director, Royal Indian Marine; Director-General, Army Remount Department and Controller of Contracts attached to the Quartermaster General, Army Headquarters	5,000
(*iv*)	Officer Commanding a Brigade, other than those included in (*iii*); Director of Ordnance Factories; Director of Ordnance Inspection; and Director of Army Clothing Factories	2,000
(*v*)	Superintendent, Army Clothing Factory; Supply and Transport Officer on special duty in Kashmir; and Deputy Director, Royal Indian Marine	1,000
(*vi*)	Chief of the General Staff; General Officer Commanding, Northern and Southern Armies; Adjutant General in India; Quartermaster General in India; Director, Medical Services, India; Military Secretary to His Excellency the Commander-in-Chief; Military Accountant General; Controllers of Military Accounts and Controller of Military Supply Accounts	500
(*vii*)	Officer Commanding a station; Superintendent, Army Remount Department; Superintendent, Ordnance Factory; Government Inspector of Army Boots, Cawnpore; Chief Ordnance Officer; Inspectors (Ordnance Department);	

*These officers have full powers of local purchase under rule 5 in cases where the purchases are required to meet urgent field service requirements or to replace issues from mobilization reserves for the equipment of troops suddenly ordered on field service.

	Rs.
the Chief Inspector of General Stores and the Proof and Experimental Officer, Balasore; Medical Storekeeper; Commandant, Indian Staff College; Assistant Director of Supplies; Assistant Director of Transport; and Assistant Director of Grass Farms	400
(*viii*) Officer Commanding a unit (including a hospital); Senior Medical Officer, Indian Medical Service, of a station; Recruiting Officer for Gurkhas at Gorakhpur; Officer (Ordnance or Departmental) in charge of depôt; Assistant Inspectors (Ordnance Department; Officer in charge of Supply Reserve Depôt; Commissioned Officer Commanding Depôt, Transport Lines; Officer in charge of Supplies; and Chief Chemical Examiner	40

(*e*) *Stores Department, India.*

(*i*) Chief Controller of Stores ...	Full powers.
(*ii*) Metallurgical Inspector, Jamshedpur	1,000

Note 1.—The financial limits imposed under this rule in respect of purchases made under rules 3 (*a*) and 5 do not apply to the purchase of articles required on mobilisation or during the continuance of military operations.

Note 2.—These powers are subject to the rules of the budget system. No sanction may be given which will involve expenditure from the budget grant of any future year. The powers extend to each sanction, whether against Army, Military Works or Marine funds. In the case of the Ordnance, Medical Stores, and Remount Departments, the Divisional Brigade and Station Commanders are not competent financial authorities.

In respect of Rule 3 (c).

Officers specially authorised to purchase plant and machinery and component parts thereof under Rule 3 (*c*) (*i*).

RULE 12.—*Power to sanction departures from the rules.*

The Government of India have power to sanction departures from the rules in cases in which departure is absolutely unavoidable (subject to a report to the Secretary of State if the expenditure exceeds Rs. 50,000).

RULES APPLICABLE TO GOVERNORS' PROVINCES.

RULE 13.—In the case of purchases made by local Governments, none of the above rules shall apply;

provided that any such purchases, if from the United Kingdom, shall be made from the London Stores Department in accordance with any rules that may be made from time to time by the Secretary of State, the Government of India or the Director General of Stores.

APPENDIX A.

In Bengal.

Messrs. Burn and Company of Calcutta.
Messrs. Jessop and Company of Calcutta.
Messrs. John King and Company of Calcutta.
Messrs. Martin and Company of Calcutta.
Messrs. Mackintosh Burn and Company of Calcutta.
Messrs. James Simpson and Company of Calcutta.
Messrs. G. Craddock and Company of Calcutta.
Messrs. Turnbulls, Limited of Calcutta.
Messrs. Braithwaith and Company of Calcutta.
Messrs. J. C. Banerjee and Company of Calcutta.

In the Bombay Presidency.

Messrs. Richardson and Cruddas of Bombay.

In the Madras Presidency.

....

In Burma.

Messrs. Clark and Greig, Limited, Rangoon.

APPENDIX B.

List of officers referred to in Rule 7 (*iii*), serving directly under the Government of India or in provinces other than Governors' Provinces, who are authorised to obtain direct from manufacturers or dealers in England, America, Japan, or other foreign countries such articles as they may require for experimental or research purposes.

Superintendents of X-ray Institutes.
Chemical Examiners.
Superintendents of Vaccine Depôts.
Principals of Medical Colleges.
Superintendents of Medical Schools.
Directors of Bacteriological, Pathological or Research Laboratories, including officers in charge of Divisional and Brigade Laboratories.
Principals of Arts Colleges.
Principals of Technical and Industrial Institutes.

Directors of Industries.
Sanitary Commissioners.
Principals of Training Colleges.
Surveyor-General of India.
Inspector-General of Forests.
Director-General of Observatories.
Director of the Botanical Survey.
Agricultural Adviser to the Government of India and Director, Agricultural Research Institute, Pusa.
Imperial Bacteriologist, Civil Veterinary Department.
Imperial Agricultural Chemist.
Imperial Mycologist.
Imperial Entomologist.
Directors of Agriculture.
President, Forest Research Institute and College.
Director, Geological Survey of India.
Railway Board.
Directors of Public Instruction.
Director of the Zoological Survey of India.
Metallurgical Inspector.
Superintendent, Government Acetone Factory, Nasik.
Superintendent, Local Manufactures and Government Test House, Alipore.
Commissioner, Northern India Salt Revenue.
Director-General of Ordnance in India.
Director of Ordnance Factories.
Director of Ordnance Inspection.

APPENDIX C.

In Bengal.

The Bengal Iron and Steel Company, Limited, Barakar.
The Vulcan Iron Works, Limited of Calcutta.
Messrs. Burn and Company of Calcutta.
Messrs. Jessop and Company of Calcutta.
Messrs. John King and Company of Calcutta.
Messrs. Ahmuty and Company of Calcutta.
Messrs. Martin and Company of Calcutta.
Messrs. Britannia Brass and Iron Company, Limited of Calcutta.
Messrs. Heatley and Gresham, Limited of Calcutta.
Messrs. A. and J. Main and Company of Calcutta.
The Shalimar Works, Limited of Calcutta and Chittagong.

Messrs. T. E. Thomson and Company, Limited of Calcutta.
Messrs. W. Leslie and Company of Calcutta.
Messrs. Balmer Lawrie and Company of Calcutta.
Messrs. Braithwaith and Company of Calcutta.
Messrs. Turnbulls, Limited of Calcutta.

In the Bombay Presidency

Messrs. G. Gahagan and Company of Bombay.
Messrs. Richardson and Cruddas of Bombay.
Messrs. Alcock, Ashdown and Company of Bombay.
Messrs. Garlick and Company of Bombay.
Messrs. Marsland Price and Company of Bombay.
Messrs. Sorabji Shapurji and Company of Bombay.
Messrs. H. I. Dixon and Company of Bombay.
Messrs. Cosser and Company of Karachi.
Messrs. McKenzie and Company of Karachi.
Messrs. B. R. Herman and Company of Karachi.
The Engineering Company of Karachi.

In the Madras Presidency.

Messrs. Massey and Company of Madras.
Messrs. Oakes and Company of Madras.
Arbuthnot's Industrials, Limited, Reliance Foundry of Madras.
Messrs. Mansfield and Sons of Madras.

In Burma.

The Irrawadi Flotilla Company, Limited.
Messrs. Bullock Brothers and Company, Limited, Rangoon.
The Dunnedaw Engineering Works, Rangoon.
Messrs. Howarth, Erskine, Limited, Singapore.
The Burma Engineering and Trading Company, Limited, Rangoon.

In the United Provinces.

Messrs. T. Crowley and Company, Allahabad.
The Empire Engineering Company, Limited, Cawnpore.
Lucknow Iron Works.
The Canal Foundry and Engineering Works, Roorkee.

In the Punjab.

Messrs. N. D. Hari Ram and Brothers, Rawalpindi.

In Bihar and Orissa

Messrs. Arthur Butler and Company of Muzaffarpur.
The Tata Iron and Steel Company, Limited, Jamshedpur.

No. 1567-135.

Chamber of Commerce,
Bombay, 12th August 1921,

The Deputy Secretary to the Government
of Bombay, General Department,
Bombay.

Sir,—I am directed to acknowledge receipt of your letter, No. 9461, dated the 2nd August 1921, and its accompaniments, on the subject of the proposals of the Government of India in connection with the report of the Stores Purchase Committee.

My Committee have carefully considered the views of the Government of India on the various recommendations contained in the majority and minority reports of the Stores Purchase Committee and, while they regret that Government are inclined provisionally to adopt the recommendations of the minority report in preference to the measures advocated in the majority report, my Committee have no objections to raise so far as the general question of principle is concerned.

With regard, however, to the draft of revised rules for the purchase of stores, copy of which accompanied your letter under reply, I am to state that my Committee are strongly opposed to the proposal to make the conditions relating to manufacture from imported material less favourable to the Indian manufacturer than in the case of stores available for purchase under Rules 1 and 3. In this connection my Committee are unable to accept the Government of India's contention that the necessity of the differentiation is of some importance and they see no reason why Rule 2 (b) should not read "That the price should not compare unfavourably with that at which..... etc." as in the case of Rules 1 and 3.

In urging an amendment of the proposed draft rules on the foregoing lines my Committee have particularly in mind the position of engineering firms in India which may not be able to compete in every case with similar firms at home but which, having the raw material in stock, may be in a position to offer better delivery, a factor of economy which, in the opinion of my Committee, is worthy of every consideration and indeed recognized as such by the Government of India in their note on the provisions of Rule 1. An amendment of Rule 2 (b) on the lines now suggested will merely secure to the

purchaser the advantage of being able to take such a factor into account in all cases instead of to the limited degree at present proposed by Government.—I have, etc.,

C. B. SAYER,
Secretary.

No. 2232-135.

Chamber of Commerce,
Bombay, 13th December 1921.

The Secretary to the Government of India,
Department of Industries, Delhi.

Sir,—I am directed to refer to your letter, No. S-217 dated the 29th March 1921, and its accompaniment, in which the views of local Governments and Administrations were invited on the draft of revised rules for the purchase of stores for the use of Government Departments.

2. As the report of this Chamber for 1921 is now being compiled my Committee will be grateful if you will be good enough to advise them at your earliest convenience whether the revised rules in question have yet been published for general information.

3. I am also to invite a reference to your letter, No. S-183, dated the 29th March 1921, in the same connection and to enquire whether the suggestions therein set forth, for immediate action in respect of the certain recommendations contained in the Report of the Stores Purchase Committee, have yet been adopted.—I have etc.,

C. B. SAYER,
Secretary.

N. S-217.

Government of India,
Department of Industries,
Delhi, 7th January 1922.

The Secretary,
Chamber of Commerce, Bombay.

Sir,—In reply to your letter No. 2232-135 of 1921, dated the 13th December 1921, I am directed to say that the

evised rules for the supply of articles for the public service have not yet been brought into effect. The draft of the rules, as well as the other matters dealt with in the Report of the Stores Purchase Committee, will be further considered by the Government of India when they receive all the replies to their letters Nos. S-217 and S-183 of the 29th March 1921. In the meantime they have taken the preliminary steps towards the actual constitution of the Indian Stores Department by appointing the Chief Controller of Stores and the Director of Purchases and Intelligence. They have also made temporary arrangements for filling the post of Chief Inspector, and have arranged for the conduct by the Chief Controller of Stores of the business connected with the purchase of textiles for the Army. The Chief Controller who assumed charge of his duties on the 1st January 1922, will proceed as soon as possible to frame a scheme for the organization of the new Department and the Government of India hope that it will be in working order within the next few months.—I have etc.,

J. P. GANGULI,
Assistant Secretary to the Government of India.

APPENDIX J-1.

STAMPING OF INSURANCE POLICIES.

No. 902-F.

Government of India,
Finance Department,
Delhi, the 21st March 1921.

RESOLUTION.

The Government of India have had under their consideration the question of extending the use of the adhesive stamps on the instruments known as "Policies of Insurance" which are chargeable with stamp duty under Article 47 of Schedule I of the Stamp Act, 1899. Under Finance Department Notification No. 1140-F., dated the 14th August 1914, these instruments should either be written on stamped paper or be presented to the "proper officer" for the purpose of affixing special adhesive labels. It has been represented that this procedure causes inconvenience to the commercial public and after consulting certain Local Governments, the Government of

India have decided to extend further the use of adhesive stamps to these instruments. This decision has been given effect to in the accompanying Notification No. 901-F., of to-day's date, which permits the use of adhesive stamps. New stamps of the denominations of 2, 3, 4, 6, 8, and 12 annas and 1, 3, 6, and 10 rupees have been ordered from England and will be of the same pattern as the existing "agreement" and "brokers' notes" stamps. Pending the receipt of the new stamps special adhesive stamps, overprinted with the word "Insurance", will be issued for sale to the public.

(With a copy of the Notification).

Ordered that a copy of the foregoing Resolution be forwarded to all Local Governments and Administrations, to the Department of Commerce, to the Controller of Printing, Stationery and Stamps and to all Chambers of Commerce and to the Associated Chambers of Commerce of India and Ceylon.

Ordered also that it may be published in the *Gazette of India.*

J. C. NIXON,
Under Secretary to the Government of India.

No. 901-F.

Government of India,
Finance Department,
Delhi the 21st March 1921.

NOTIFICATION.

In exercise of the powers conferred by the Indian Stamp Act, 1899 (II of 1899), the Governor General in Council is pleased to direct that the following further amendments shall be made in the Indian Stamp Rules, 1914, namely :—

1. In rule 13 of the said rules, after clause (*d*) the following clause shall be inserted, namely :—
   "(*e*) Instruments chargeable with stamp duty under Article 47 of Schedule I."
2. In rule 17 of the said rules, after clause (*f*) the following clause shall be inserted, namely :—
   "(*g*) Instruments chargeable with stamp duty under Article 47 of Schedule I: with stamps bearing the word 'Insurance'."

(Sd.) G. G. SIM,
Joint Secretary to the Government of India

No. 991.

The Bombay Fire Insurance Association,
Allahabad Bank Building, Apollo Street,
Bombay 29th August, 1921,

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—We are directed to ask for the kind consideration of your Committee to be given to the following facts regarding the new Insurance adhesive stamps which have been made available for use on insurance policies.

As you are doubtless aware, the Government of India, Finance Department, issued their notifications on the 21st March last extending the use of adhesive stamps to policies of insurance in the manner, and to the extent set forth in those notifications.

Offices have greatly appreciated this privilege, but they are now faced with the fact that the Indian Stamp Act does not appear to permit any allowances being given for the value of these special adhesive stamps which require to be cancelled in terms of Sections 12 (1) and (3) of the Act on being fixed to the policies, but which are rendered unfit by reason of the policy not being wanted subsequently by the insured or inadvertently spoilt before being executed.

As Section 49 of Chapter 5 of the Act makes provision only for allowances for impressed stamps which have been spoilt in certain cases, the Committee of both the Bombay Fire and Marine Associations think it only right that similar provision should be made for corresponding allowances to be granted in the case of spoilt insurance adhesive stamps.

We are, therefore, directed to express the hope that your Committee will see their way to take up the matter with the Government of India.

Awaiting the favour of your advices.—Yours faithfully,

A. F. FERGUSON & Co.,
Secretaries.

No. 1741-143

Chamber of Commerce,
Bombay, 20th September 1921.

The Secretaries,
The Bombay Fire Insurance Association,
Bombay.

Dear Sirs,—I em directed to acknowledge receipt of your letter, No. 991, dated the 29th August 1921, requesting that my Committee may be moved to address Government further in the matter of the use of adhesive stamps on policies of insurance.

2. In reply I am to state that, having regard to the nature of the stamps in question, my Committee are of opinion that, with good management, the cases in which such stamps are required to be cancelled in accordance with the provisions of Section 12 (sub-section 1 and 3) of the Indian Stamp Act, 1899, must of necessity be few in number and, that being so, my Committee are unable to concur, at the present juncture, in your suggestion that they should move Government to make provision in the Act for allowances to be granted in respect of spoilt insurance adhesive stamps.

3. I am to suggest, however, that your Association might suitably address Government in the matter direct.—
Yours faithfully,

C. B. SAYER,
Secretary.

APPENDIX J-2.

BLANK SHARE TRANSFER DEEDS.

No. A.-511.

Revenue Department,
Secretariat, Fort, Bombay,
3rd March 1921.

The Secretary, Chamber of Commerce,
Bombay.

SUBJECT.—*Affixing stamp to contracts in share transactions.*

Sir,—I am directed to forward a copy of letter from the Government of India, Finance Department No. 3275-F.

dated 30th December 1920 on the above subject and to request you to favour Government with the views of the Chamber in the matter.—I have, etc.,

SHAMRAO D. MANKAR,
Under Secretary to the Government of Bombay.

No. 3275-F.

Government of India,
Finance Department,
Delhi, 30th December 1920.

The Chief Secretary to the Government of Bombay,
Revenue Department.

Sir,—From time to time the subject of the use of blank transfers in share transactions has been brought to the notice of the Government of India. Under existing practice a seller of a block of shares attaches a stamp to the deed of transfer which he has signed, but the name of the purchaser is not at that stage ordinarily inserted. The shares with a blank deed attached may change hands a number of times before they ultimately pass into the possession of a buyer who decides to keep them and to register himself as their holder. He then signs the deed and the transfer is complete.

2. From the point of view of the loss of revenue which is involved in this practice, Government is interested in securing its discontinuance or, at any rate in placing a check on it, while it is understood that there is a considerable body of commercial opinion which would favour any procedure which might have such an effect.

3. Short of declaring blank transfers illegal, the Government of India have never had a practical suggestion put before them which would in their opinion be sufficient to stop the practice. The evasion of the law in the circumstances is easy and it is difficult to devise a scheme according to which it would be to somebody's interest to see that the law was conformed to. It has, however, been recently suggested that action on the lines of sections 77 and 78 (copy enclosed) of the English Finance Act of 1910 would operate in the direction of protecting the revenues. These sections impose upon each contract note a stamp duty varying from between 1-40th to 1-200th per cent., require all contracts for the purchase and sale of shares to be covered by a contract note so

stamped, and declare the broker's right to a commission to be not enforcable unless the contract note was duly stamped.

4. The adoption of similar provisions in India would probably secure that transactions in shares would contribute to the stamp revenues. It is possible, however, that commercial considerations are of sufficient weight to make such a proposal unsuitable for India.

5. I am, therefore, to ask that, if the Governor in Council has no objection, the matter may be referred to the local Chambers of Commerce, European and Indian, and to any other bodies or individuals concerned, and the Government of India favoured with your opinion on the subject after considering their replies.—I have, etc.,

J. C. NIXON,

Under Secretary to the Government of India.

Extract from the Finance Act, 1910 (10 Edw. VII Chapter 8).

77. (1) There shall be charged on every contract note as defined by this section for or relating to the sale or purchase of any stock or marketable security the following stamp duties:—

Where the value of the stock or marketable security—

is 5£ and does not exceed	100£	...	...	...	...	6 d.
exceeds	100£	and does	not exceed	500£	...	1 sh.
exceeds	500£	,,	,,	,, 1,000£	...	2 sh.
exceeds	1,000£	,,	,,	,, 1,500£	...	3 sh.
exceeds	1,500£	,,	,,	,, 2,500£	...	4 sh.
exceeds	2,500£	,,	,,	,, 5,000£	...	6 sh.
exceeds	5,000£	,,	,,	,, 7,500£	...	8 sh.
exceeds	7,500£	,,	,,	,, 10,000£	...	10 sh.
exceeds	10,000£	,,	,,	,, 12,500£	...	12 sh.
exceeds	12,500£	,,	,,	,, 15,000£	...	14 sh.
exceeds	15,000£	,,	,,	,, 17,500£	...	16 sh.
exceeds	17,500£	,,	,,	,, 20,000£	...	18 sh.
exceeds	20,000£	...	...	... ...	...	1 £

(2) Where a contract note is a continuation of carrying over note made for the purpose of continuing or carrying over any transaction for the sale or purchase of stock or marketable securities, the contract note, although it is made in respect of both a sale and purchase, shall be charged with duty under this section as if it related to one of those transactions only, and, if different rates of

duty are chargeable in respect of those transactions, to that one of those transactions which would render the contract note chargeable at the highest rate.

(3) For the purposes of this Part of this Act, the expression "contract note" means the note sent by a broker or agent to his principal, or by any person who by way of business deals, or holds himself out as dealing, as a principal in any stock or marketable securities, advising the principal, or the vendor or purchaser, as the case may be, of the sale or purchase of any stock or marketable security but does not include a note sent by a broker or agent to his principal where the principal is himself acting as broker or agent for a principal, and is himself either a member of a stock exchange in the United Kingdom or a person who *bonâ fide* carries on the business of a stock broker in the United Kingdom, and is registered as such in the list of stock brokers kept by the Commissioners.

(4) Where a contract note advises the sale or purchase of more than one description of stock or marketable security, the note shall be deemed to be as many contract notes as there are descriptions of stocks or securities sold or purchased.

78. (1) Any person who effects any sale or purchase of any stock or marketable security of the value of five pounds or upwards as a broker or agent, and any person who by way of business deals, or holds himself out as dealing, as a principal in any stock or marketable security, and buys or sells any such stock or marketable security of a value of five pounds or upwards, shall forthwith make and execute a contract note, and transmit the note to his principal, or to the vendor or purchaser of the stock or marketable security, as the case may be, and in default of so doing shall incur a fine of twenty pounds: Provided that this section shall not apply in the case of transactions carried out in the course of their ordinary business relations between members of stock exchanges in the United Kingdom.

(2) If any person makes or executes any contract note chargeable with duty and not being duly stamped, he shall incur a fine of twenty pounds.

(3) No broker, agent, or other person shall have any legal claim to any charge for brokerage, commission, or agency, with reference to the sale or purchase of any stock or marketable security of the value of five pounds

or upwards, if he fails to comply with the provisions of this section.

(4) All stamp duties on a contract note are to be denoted by an adhesive stamp appropriated to a contract note, and the stamp is to be effectively cancelled by the person by whom the note is executed by writing on or across the stamp his name or initials, or the name or initials of his firm, together with the true date of his so writing.

(5) Any stamp duty on a contract note may be added to the charge for brokerage or agency, and shall be recoverable as part of such charge.

No. 625-117.

Chamber of Commerce,
Bombay, 22nd March 1921.

The Under Secretary
to the Government of Bombay,
Revenue Department, Bombay.

Sir,—I am directed to acknowledge receipt of your letter, No. A.511, dated the 3rd March 1921, and its accompaniment, on the subject of the use of blank transfers in share transactions.

2. In reply I am to state that my committee are of opinion that action in the matter under reference on the lines of Sectons 77 and 78 of the English Finance Act would be a distinct gain from the revenue point of view as the adoption of similar provisions in India would render any avoidance of the stamp duty on each transaction illegal whereas, under the conditions now prevailing, such a practice appears merely to be non-legal.

3. For the reason above given I am to state that my Committee are in favour of the adoption in India of provisions similar to the ones now in force in Great Britain and outlined in the accompaniment to your letter under reply.—I have etc.,

C. B. SAYER,
Secretary.

APPENDIX K

RACIAL DISTINCTIONS IN INDIAN LAW.

F. 105—Judicial.

Home Department,
Simla, the 29th October 1921.

The Secretary,
Chamber of Commerce, Bombay.

Sir,—The following Resolution was adopted at the meeting of the Legislative Assembly held on the 15th September 1921 :—

"This Assembly recommends to the Governor-General in Council that in order to remove all racial distinctions between Indians and Europeans in the matter of their trial and punishment for offences, a committee be appointed to consider what amendments should be made in those provisions of the Code of Criminal Procedure 1898 which differentiate beween Indians and European British subjects, Americans and Europeans who are not British subjects in criminal trials and proceedings and to report on the best methods of giving effect to their proposals."

2. The Government of India propose to appoint a committee to enquire into this question and it is at present intended that the committee shall meet in Delhi early in January 1922. It is thought that your Association may wish to forward a memorandum for the consideration of the committee and in that case I am to suggest that such memorandum may be forwarded to the Secretary to Government of India in the Home Department as early as possible.

3. Your Association might, it is thought, also wish to send witnesses for examination orally and, if so, I am to request that the names of such witnesses may also be communicated to the Secretary to the Government of India in the Home Department.—I have etc.,

H. TONKINSON,
Addt. Deputy Secretary to the Government of India.

No. 2203/235.

Chamber of Commerce,
Bombay, 8th December 1921.

The Addt. Deputy Secretary
to the Government of India,
Home Department, Delhi.

Sir,—I am directed to acknowledge receipt of your letter, No. F—105—Judicial, dated the 29th October 1921, and in reply to say that my Committee do not desire to forward a memorandum for the consideration of the Committee referred to therein nor do they wish to send witnesses for oral examination in the same connection.

2. I am, however, to state that my Committee are in complete agreement with the views expressed by Messrs. Rhodes, Price and Spence, during the course of the debate in the Legislative Assembly, and, in particular, with the suggestion that the present is an inopportune time in which to undertake the proposed amendment of the relative section of the Code of Criminal Procedure. I am to add that my Committee held their opinion in the latter regard at the time of the debate and that recent events in Bombay and Calcutta have not caused them in any way to alter their views.—I have etc.,

C. B. SAYER,
Secretary.

SPEECHES OF MR. C. W. RHODES, C.B.E., M.L.A., MR. E. L. PRICE, O.B.E., M.L.A., AND MR. R. A. SPENCE, M.L.A.

Extracts from the Proceedings of a meeting of the Indian Legislative Assembly held at Simla on Thursday, the 15th September 1921.

MR. C. W. RHODES: Sir, in rising to make my first speech in this Assembly, I consider myself fortunate in commanding that sympathy always shown on such occasions when I have to deal with such a difficult and controversial subject and that I can appeal, if on that ground alone, to a hearing amongst my friends here. The mover of the Resolution has given us a very interesting historical resumé of the subject. I do not

intend to waste the time of this Honourable House by attempting to paint the lily or follow him upon those attractive paths of historical research. In fact, I think that what this House is most concerned with is not the reasons which led to the enactment of certain legislation, but whether it now presses heavily on any one or safeguards any one.

Although I speak from a very different standpoint, I have no fault to find with the tone of the Honourable Mover's speech. He feels strongly on the subject, but so do we. But strong feelings do not necessitate strong words and I intend to follow his excellent example to the best of ability. I ask him and the Assembly to realise that I speak under a grave sense of responsibility, a responsibility accentuated by the knowledge that I am speaking both to and on behalf of people beyond these walls.

I know that many throughout India will open their papers to-morrow morning, expecting to read of violent speeches in this house and not a few are hoping for signs of parties splitting and of racial illwill. They will, I trust, be disappointed. All who have sacrificed not only time and money, but in some instances popularity also, to join this Assembly have a sense of responsibility which will enable them to rise above the language and the passions of the market place. I trust we shall prove to-day that the Reform Scheme has done something to moderate the old bitter animosities of the Ilbert Bill days. But outside, bitter racial feelings still exist, to be killed only by the calmness and courage with which this Assembly faces one by one the chief causes of our differences.

I will not add a single word to that bitterness and illwill, but this I must say, does anyone here present imagine for one moment that the bitter anti-British tone of a portion of the press and of politicians outside these walls, is calculated to allay the feelings of many of our community in regard to the repeal of these Sections of the Criminal Procedure Act at the present time? In such an atmosphere, how can we convince our fellow countrymen that the time has come to relax precautions considered necessary during the past 150 years? Do not forget that there are extremists on both sides, at one only in their determination to wreck the reforms, as all of us in this House are at one to make those reforms a success.

In this Assembly there are doubtless some who honestly believe that these clauses of the Act cast a slur on the Indian races. Others with equal sincerity believe them to be a necessary safeguard to meet exceptional circumstances. Let us agree, however, on two general principles, first equal and imperial justice for all members of the British Empire and for the stranger within our gates, and secondly, a mutual desire to respect the feelings and sentiments of our fellow citizens. I have frankly admitted the bitterness both of the past and present for nothing is to be gained by minimising the gravity of the situation. But the two principles I have mentioned will guide all I have yet to say. I have laid down the standard of equal justice, but does this imply identical laws and identical procedure for all? Certainly not. Only the other day in this House, I was impressed by the warmth with which our Hindu friends cried 'Hands off our ancient and peculiar Hindu Law.' That, of course, was civil law, but in regard to criminal law also, is the Hindu or Muhammadan to be punished for observing his own marriage laws, performing what in him is a virtue, in me an offence punishable with imprisonment.

The customs, beliefs and prejudices of the peoples of this land have not been stereotyped into one dead weight of common law, pressing heavily on one and lightly on another. All nations beside the Indian affirm that the British are a difficult race to understand. I agree, but does not that very fact require that we should be tried, at least in a last recourse, by those that do understand us?

Remember that in these days a European committing any offence is pursued, relentlessly, not only by the law but also by the administration right up to the British House of Commons. The Honourable Member told us that in the old days, a European, when he went upcountry, went under police surveillance. He goes up, to-day, under the surveillance of the police, the executive power and the press. I do not complain. Any European who cannot behave himself has no right to be in this country. Any European, if there are any, who fails in his duty on a jury is doing a greater disservice to his own fellow countrymen than to anyone else. But I may be told that if the average Indian does not understand the average European, the converse is also true. I am under no necessity to contest the point. If the

Legislature will relieve us of the irksome and disagreeable obligation of sitting as jurymen in judgment on our Indian fellow citizens, we shall be truly grateful. If not, we are prepared to accept the responsibilities of citizenship and do our duty to the best of our ability.

But may I press another aspect of the question and one which affects not only the question of justice but also the equally important question of national sentiment. For, I frankly admit, that in the past these protective clauses, imposed on the Indian people as they were from outside, and against their will, have caused feelings of resentment and irritation. But do we abolish these feelings by transferring them from the Indian to the European? Times have changed. The government of the country now lies within these walls. The laws now on the Statute Book remain there by the will of the people as expressed by this Assembly. What our Indian friends deny to the European as a political right, may they not now, with the power in their own hands, and of their own free-will, grant as a measure of justice. It is a new ideal, but in it lie seeds of all mutual understanding and good-will in the days that are to come. In itself of course it is no new principle, for special laws have been made for Hindu and Muhammadan, as well as for the European. We, Europeans, have entered wholeheartedly into the Reform Scheme (Hear, hear) in full confidence, that though in a minority, any appeal to justice and reason will not be made in vain. I can assure the Honourable Mover, that if he will withdraw this Resolution in the spirit I have indicated, the impression created in the public mind will be such as to close the chapter which began with the Ilbert Bill and to open a new era in the history of India.

But, whilst I must oppose this sweeping Resolution, I make no claim for the retention of any particular legal formula. If the interests of justice to the European can be safeguarded in any way more in consonance with Indian sentiment, by all means let us explore new avenues. But, above all, Sir, let us do so in a spirit of good fellowship and mutual trust, with the single idea of equal, even-handed justice for all.

* * * * *

MR. E. L. PRICE: I have never intervened in a debate in this Assembly with more reluctance than I do now. I have been a regular attendant at the meetings of this

Assembly, and I am afraid I have spoken pretty frequently, but if you turn up my record you will find that I have never spoken before on a racial question, and I should be very thankful if I never have so to speak again. I dislike these sort of questions intensely; but I do want very keenly to ask the House to accept the amendment proposed by the Honourable Sir William Vincent, and I beg of the House to do that on the lines, I think, of following its own precedent. There was nothing, I venture to say, when we first met that was more in the public eye, and a keener cause of dissatisfaction, perhaps, than the Press Laws. The original proposition ran as follows:

> 'This Assembly recommends to the Governor General in Council that a Committee of officials and non-officials be appointed to examine the Press and Registration of Books Act, 1867, and the Indian Press Act, 1910, and report what modifications are required in the existing law'.

And after a very interesting debate the amended Resolution ran:

> 'This Assembly recommends to the Governor-General in Council that a Committee, of whom not less than two-thirds shall be non-officials, to examine the Press and Registration of Books Act, 1867,

and so on.

The point about it is that there was no opinion expressed to that Committee other than the opinions contained in the debate. Let me put it this way; if, as a matter of fact, the House had first given its verdict on the principle at stake and then merely referred the whole question to the Committee which was appointed, practically for drafting purposes, the House could not have obtained the services of such men on that Committee as it did obtain, nor could it have secured such a thorough investigation of the whole question, from a judicial as well as an administrative point of view, as it did secure. The results are known.

Now, Sir, there is a precedent from the Assembly, and I must admit with a certain amount of patriotism for this assembly, that I am very anxious that we should, when we have a good precedent, keep to it. But I would like to give the House another example from the Council of State, if that is in order, and that was in regard to the question of Repressive Laws which was one of the most

burning questions in India, probably more burning than even the Press Laws were. The Resolution was moved by the Right Honourable Mr. Sastri and ran as follows:

> 'This Council recommends to the Governor-General in Council that a Committee be appointed to examine the Repressive Laws now on the Statute Book and report whether all or any of them should be repealed, and, in cases where repeal is not desirable, whether the laws in question should be amended, and, if so, how.'

That proposal was discussed fully and passed without amendment in the Council of State, and, as the result, a very fine Committee was appointed that did splendid work examining the whole question. The deliberations of that Committee will very soon be before this House for the necessary legislations.

Sir, I ask the House, is it not best to follow those precedents, to accept the amendment of the Honourable the Home Member and not to tie the hands of your Committee and make it a mere drafting Committee, for, if you do, you will never get the services of the right men, and I don't see how they can very well be expected to take evidence on a point which the House has already decided in a very wholesale way.

Sir, if I thought that I carried the sympathy of the House with me in this matter, I would very willingly sit down at once in my seat, but I understand that there are a certain number of Members who came to this House to-day with a pre-conceived idea that it was absolutely necessary in the interests of the country, and of the peace of the country, that they should come with a most tremendous, inclusive and conclusive assertion and statement on this point. I would therefore venture to say a few more words.

The members who have spoken have spoken with great moderation. May I tell these Members that there have been Indian colleagues of mine in this House who came to me and said, they thought it was a great pity that this Resolution was raised at this time. They considered it inopportune because of the racial hatred that undoubtedly had been stirred up, and they thought that the issue might well be postponed till Mr. Gandhi's folly had subsided. Well, Sir, I told them that from my point of view, though no man would be more pleased to see Mr. Gandhi betake himself and his campaign of 'envy,

hatred, malice and all uncharitableness' to the Himalayas, and even allowing for all the racial hatred that has been engendered, I was certainly not prepared to see any public issue suspended or postponed for his sake or for the sake of his works. And I hope, Sir, that I understand the Indian point of view, not on historical grounds, not even on the grounds of legal history, but as a plain matter of fact, of things as they are. The fact of the matter is that these legal remains—you might call them distinctions in the law—whether now necessary or not, are looked on, I think, by Indian gentlemen, especially the intelligentsia, as something in the nature of capitulations. Now Members of this House will be perfectly well aware that it is only about 20 years ago that capitulations existed in Japan whereby our British subjects, rather any European subjects or American subjects, were not liable to be tried at all by the Japanese Courts. They were tried by special Consular Courts. Of course, when Japan, at the expense of great tribulation and sacrifice, such as, thank God! India has not yet had sustain, found her place as an equal in the comity of nations, the first thing she did was to change those treaties and to abolish the capitulations—a very natural thing. But I put it to this House that during the long years that Japan was working up to that point, she had entirely remodelled her juridical and judicial principles and she had changed her administration. So she had entirely won world-confidence when she asked Europe to agree to the change. And it must follow—I am sorry if some of my own community cannot agree with me, but I say it must follow—that in the progress of India there must come a point when the same thing happens too, and when all distinctions disappear. The only question is, has that moment arrived yet? Well, I think I must frankly say that I think the sense of Government expressed by the Head of the Government and expressed by its representatives here is, and I must honestly say also that on the tone of this debate, I think that it is the view of this Assembly, that the time has come. But how are you going to do it? Are you going to do it by means of a political debate where people are divided? Are you going to leave ill-will and bitterness behind because people think that what ought to be a great judicial question has been settled politically? Or are you going to follow your own precedents and refer this matter—with your intention clear if you like—in the most general terms to the ablest Committee that Govern-

ment can secure for us, that we may have put before us the full necessary steps by which we may take this move? I remind you also, that at the moment Japan was in a happy position of being able to get the capitulations denounced, she was also in a position to say to Europe that the law within her territories was one and universal and applicable to every one of His Imperial Majesty the Mikado's subjects in Japan. Now, Sir, I would ask Members to recognise the fact, that even eliminating the European question altogether, you cannot say that of India. In my own province I know a Hindu Bawa who is exempted from having to give evidence in any court of law. The assertion may seem extraordinary, but I am fully certain of my facts. I was the foreman of a Jury. When the evidence of that Bawa would have been most valuable in a most serious criminal case, it was unobtainable. There is a Muhammadan Pir with even greater legal privileges. Compare these distinctions with the reign of law in England. In my own memory, I remember the Heir to the Throne being summoned to court on an ordinary subpoena to give evidence; he duly attended in court, gave his evidence, and so did his duty. You do not happen to get such equality of law anywhere in India on those lines. Now, Sir, I have no wish—I hope I am not annoying anybody or breaking, as it were, the truce that has been called between the parties over this matter,—but may I give a few brief illustrations of what Europeans who do not entirely agree with me have said to me? I hope if I do that, it will not be taken as expressing my own view, but simply as giving the House information that perhaps it ought to have. A man says to me: 'It is all very well, Mr. Price, but you know how dreadful a place a mat court-house is. My poor wife is called down there and kept two whole days in all the heat to give evidence. They would not do that to an Indian lady. Well, you could not treat a purdahnashin lady like that; the law forbids.

Now as to the personal law and procedure in connection with it in criminal matters, Sir William Vincent has told me about the clauses of the Code whereby an Indian accused can claim a majority of Indians in the jury. There are also clauses in the Frontier Acts whereby people can exempt themselves entirely from the ordinary Criminal Procedure Code and elect to go before a Jirga. There again is another extraordinary exception to the reign of law in India. But I do think that India wants to adopt the principle of the

reign of law, still it is possible that even with the reign of law, certain broad exceptions may be found necessary not only for an infinite minority like Europeans, but also in some Indian cases as at present. What I think therefore is most desirable is that the whole question should be considered by a Committee in this way. There is also, I put it to the House, the question of Americans. It seems rather curious that Americans alone should be included. It has been suggested to me by a learned Member of the House—I have not been able to verify the fact—that it is the result of a treaty. Whether it is or not, evidently it is a point that should be investigated very carefully by a strong Committee. And, after all, the great point in all this will be that the European, whatever his opinion about it, will feel that the House has followed its own precedents, and that the final verdict on the case has been a judicial and not a political one. And I know my people well enough to know that however much they may fight politically, it is not their habit to resist or dispute a judicial decision. Their training is against it. It is too much like disputing the umpire.

If any Member feels that I am making demands on his generosity in this matter, well, I will agree with him. I am making demands on his generosity. I have often made demands on the generosity of this House.

When there are four of us present in an Assembly of this size and we are so few and therefore powerless for voting, what can we do but throw ourselves on your generosity ? I do not therefore hesitate to ask it and I ask it for this reason, Sir, finally, that if Sir William Vincent's amendment is accepted, this question will be settled and will leave no bitterness behind on either side, and that is the sole object of my speech.

* * * * *

MR. R. A. SPENCE: Mr. President, I had hoped that after what had been said by my Honourable friend, Mr. Price, there would have been no necessity for me to speak at all. But there does seem to be some reason for me to speak as there seems to be a feeling that we should not accept Sir William Vincent's amendment because it does not lay down definitely a principle. I think from what has been said before in this House that there is undoubtedly very strong feeling—I might say a universal feeling that—the time has arrived when consideration should be given to this question, and I think that what

my Honourable friend, Mr. Price, said is what should weigh with this Assembly. We have come to the opinion that the time has now arrived when we should consider the removal of all these disabilities. But let us go about it in a judicial manner and not as a political matter. The European has looked upon these privileges, may be privileges of the past, but he has looked upon them as judicial privileges. They come to him as from Magna Charta. Whether that view is right or wrong I do not know, but it is one which appeals to the minds of many. If the question of doing away with these old privileges is going to be considered, let it be considered on the grounds of justice and right and not as a political question. I had hoped that after what Mr. Price had said nothing more need be said. I was surprised indeed to find my Honourable friend, Mr. Rangachariar, speaking as he did. But I was also surprised to find my Honourable friend, Mr. Rangachariar, quoting Mr. Gladstone in his favour. Well, I think the words that he quoted from Mr. Gladstone are an argument in favour of Mr. Price and of the European Members' view in this House, namely, that this amendment should be accepted and that we should consider this matter purely from a judicial point of view and not from a political one.

APPENDIX L-I.

CENTRALISATION OF THE ADMINISTRATION OF THE CUSTOMS DEPARTMENT.

No, 3455-G.

Revenue Department,
Secretariat, Fort, Bombay.
6th December 1921.

The Secretary, Chamber of Commerce,
Bombay.

Subject.—Centralization of the administration of the Customs Department.

Sir,—I am directed by the Governor in Council to forward a copy of Government Resolution No. 3455 dated 6th December 1921 and to request that Government may be favoured by 1st January 1922 at the latest with the opinion of your Chamber on the subject.—I have etc.,

SHAMRAO D. MANKAR,
Under Secretary to the Government of Bombay.

Centralisation of the administration of the Customs Department.

Resolution No. 3455.

Government of Bombay,
Revenue Department,
6th December 1921.

Letter from the Government of India, Department of Commerce No. 6767 dated 24th November 1921.

Resolution.—Copies of the letter from the Government of India should be forwarded to the Chambers of Commerce, Bombay and Karachi, the Indian Merchants' Chamber and Bureau, the Bombay Presidency Trades' Association, and the Bombay Underwriters' Association, with a request that they will favour Government with their opinions on the subject, not later than 1st January 1922.

2. Copies of the letter should also be forwarded for favour of opinion by 1st January 1922 at the latest to the Commissioner in Sind, the Commissioner of Customs, Salt and Excise and the Commissioners of Divisions. The Commissioners should, be requested to consult such select officers, businessmen or commercial private bodies as they may think fit.

3. The Commissioner in Sind and the Commissioner of Customs, Salt and Excise, Bombay, should be requested to give their opinions in particular, on the proposals outlined in paragraph 8 of the letter and furnish Government with:—

(1) detailed information as to the staff at present employed in the office of the Chief Customs authorities and the cost of such establishment together with the number of receipts and issues dealt with by them; and

(2) an estimate of the allotments, if any, from Imperial revenues which may be considered necessary to meet the cost of the administration of the outports which in their opinion, should not be taken under the direct control of the Government of India.

By order of the Governor in Council,
SHAMRAO D. MANKAR,
Under Secretary to Government.

No. 6767.

Government of India,
Department of Commerce,
24th November 1921.

The Secretary to the Government of Bombay,
Revenue Department.

Sir—I am directed to address you on the subject of centralising the administration of the Customs Department in India and the appointment of a Controller General for the purpose of supervising the Department under the control of the Central Government.

2. The question of appointing an Inspector-General of Customs has been discussed on several occasions in the past, and it was recognised that the appointment of such an officer would afford the only effective means of securing practical uniformity in customs administration throughout India. The proposal was first put foward in 1903 when the question of the formation of an Imperial Customs Service was under consideration, but was abandoned on the following grounds, *viz* :—

(1) that the Inspector-General being a peripatetic officer, could not conveniently be constituted the appellate authority from decisions of Collectors ;

(2) that his duties would not be sufficient to justify the appointment of a whole-time officer ; and

(3) that the creation of such an appointment would add very considerably to the cost of the scheme then under consideration.

For these reasons it was considered better to defer the creation of the suggested appointment, although it was realised that the service could not be thoroughly efficient without a single authority at its head. At the same time, the Government of India in this Department's letter dated the 28th December 1903 deprecated the idea of dissociating the local Governments from customs administration in view of the importance to maritime trade of prompt decisions on points of customs law and of the desirability of the local Governments on the sea-board of India retaining an interest in the development of maritime trade. The Government of India, therefore, confined themselves at that time to the centralisation of matters connected with recruitment, establishment and the posting of officers in the newly created service, and

did not propose to interfere in any way with the powers of administration vested in the local Governments by the Sea Customs Act.

3. The question was again raised on the advent of the Decentralisation Commission in 1908, but was not pursued at that time. In 1909 it was suggested that the functions of Inspector-General of Excise and Salt should be extended so as to include Customs also. The views of local Governments were invited on this proposal in the Commerce and Industry Department's letter No. 7527—7531—39, dated the 20th October 1910. It was pointed out that very substantial advantages would be derived from the appointment of an Inspector-General of Customs, and that the combination of the duties of an Inspector-General of Excise and Salt and of Customs in the hands of a single officer would meet the two main objections which had hitherto been felt to the appointment of a whole-time Inspector-General of Customs, *viz.*, the expense involved and the uncertainty whether supervision of the Imperial Customs Department alone would provide sufficient work for such an officer. It was, however, proposed that the Inspector-General should be purely an advisory officer, not only for the Government of India, but also for the local Governments and that he should not interfere in any way with the control exercised by local Governments in regard to customs administration. Moreover, there was not at that time any intention of altering existing arrangements for the hearing of appeals in customs matters, though it was suggested that when cases involving matters of principle were taken up on appeal, a reference might be made to the Inspector-General inviting his opinion on the points at issue. This proposal received the general approval of local Governments, but was ultimately abandoned in consequence of the abolition of the appointment of Inspector-General of Excise and Salt in 1913.

4. The whole aspect of the question of customs administration in India has now undergone a complete change in consequence of the passing of the Government of India Act and the separation of central from provincial subjects. Customs having now been declared to be a central subject, the responsibility for its administration rests directly with the Government of India, and all receipts and expenditure connected therewith are included in the Imperial budget. The Government of India consider, therefore, that the time has now come to take under their

direct control the entire administration of Sea Customs, and as a corollary to this decision they are of opinion that it will be necessary to appoint a Controller General of Customs for the purpose of taking over the duties at present performed by the Chief Customs authorities at the principal ports.

5. It will be seen from paragraphs 2 and 3 above that the chief objections which have been urged in the past against the creation of such an appointment have been—

(1) the expenditure involved;

(2) the impracticability of constituting such an officer an appellate authority, in view of the desirability of appeals being decided promptly and on the spot; and

(3) the possibility that the duties of such a post would not be sufficient for the employment of a whole-time officer.

These objections no longer appear to the Government of India to carry the same weight as in the past. The first objection no longer holds good in the altered conditions brought about by the Reforms, owing to the complete separation of Provincial from Imperial finances. Under the system now in force, it will be necessary for the Government of India to make contributions to the maritime local Governments for the charges incurred by the latter in the administration of customs as the agents of the Governor-General in Council. By the centralisation of the Department and the creation of the appointment of Controller General of Customs such contributions, at any rate in regard to the major ports; will no longer be necessary, and it is probable that considerable savings will result to the Government of India on this head. With regard to the question of appeals, the Government of India now understand that these no longer constitute a serious difficulty. The Controller General of Customs will be concerned only with appeals from the decisions of Collectors of Customs, and such appeals in all the provinces during the last six years have averaged less than 34 a year. Applications to the local Governments for revision of the orders of the Chief Customs authorities have amounted to less than six in a year. There are, in the opinion of the Government of India, very obvious advantages in an arrangement by which all the appeals from the decisions of Collectors of Customs will be heard by a single authority instead of by the various Chief Customs authorities at the different ports, and they do

not anticipate that appeals will be disposed of less promptly by a whole-time Controller General of Customs than at present. The Government of India are, moreover, inclined to consider that undue stress has perhaps been laid upon this point in the past. In view of the provisions of section 189 of the Sea Customs Act, under which no appeal is admissible until the penalty of extra duty imposed has been deposited in the hands of the Collector of Customs, a delay in the disposal of the appeal should not interfere with the prompt clearance of the goods involved in the case. Nor is there any reason to apprehend delay in the disposal of applications for revision of decision of the Controller General of Customs, if the powers of revision now exercised by the local Governments are transferred, either wholly or in part, to the Government of India. The commercial communities at the port towns fully realise even at present that the Government of India are the ultimate authority in such matters, and it not infrequently happens that Collectors of Customs are requested to make recommendations to the Government of India direct. It is probable, therefore, that the commercial public will welcome the constitution of an appellate authority directly under the Government of India, especially if a further application for revision be allowed to the Central Government. If the Controller General is entrusted with this duty in addition to the general duties exercised by him in dealing with questions of administration, inspecting the various custom houses and advising the Government of India on customs matters, the Government of India consider that the duties of the post will be sufficiently onerous and responsible to necessitate the employment of a whole-time officer.

6. On the other hand, it is clear that important advantages will result from the creation of such a post. In the first place, it has always been recognised that it would only be by such an appointment that uniformity could be secured between the various ports, both in regard to the interpretation of customs law and customs administration generally. Such uniformity, though now more than ever desirable on account of the increased complexity of the tariff, becomes in present circumstances more and more difficult to obtain. It has not infrequently come to the Government of India's notice recently that the principles adopted for assessing various articles to duty vary from port to port, and it has sometimes happened that discrepant rulings have been given by the various customs

authorities or the local Governments. It is, for obvious reasons, most undesirable that such differences should occur, and it is clear that in the interests of the commercial community a central co-ordinating authority is urgently needed. Not only will the classification of articles for tariff purposes tend to assume a far more scientific character under the control of such an officer, but the risk of loss of revenue through faulty assessment will also be reduced to a minimum. Secondly, uniformity in general customs administration is equally desirable. In dealing with such matters as overtime and overtime fees, Sunday fees, uniform allowances and so forth, the Government of India have on many occasions felt themselves hampered by the discrepant practices which have grown up from port to port; and they consider it essential that a serious effort should now be made to render the customs administration as far as possible uniform throughout India. Thirdly, it is obvious that the present system, according to which the orders of the Government of India as the ultimate authority in customs administration have to be applied for in all important matters through the Collectors of Customs, the Chief Customs authority of the province concerned, and the local Government, tends inevitably to cause needless delay and consequent inconvenience to the customs staff and the commercial community. In fact, in cases of urgent importance, as for example, those connected with the restrictions on trades imposed during the war, the Government of India have sometimes found it necessary, as the local Government are aware, to dispense with the ordinary procedure and to carry on correspondence direct with the Collectors of Customs. Moreover, the present system, by which the Government of India while bearing the cost of customs establishments do not retain them under their administrative control, renders impossible those direct dealings with the staff which under present day conditions are of the greatest value. A further consideration, and one which has weighed heavily with the Government of India in coming to their present decision, is the imperative necessity for altering the present arrangement by which the customs budget is prepared by the various local Governments. Now that the provisions of the budget have to be justified item by item before the Legislative Assembly and the approval of the Assembly has to be obtained to the expenditure proposed, it is essential that the budget should be prepared by an officer working directly under the Government of India and in the closest possible touch with them.

7. For these reasons the Government of India have decided to take under their direct control the administration of Sea Customs, and to entrust the duties at present performed by the Chief Customs authorities at the principal ports to a central authority to be called the "Controller General of Customs." The Collectors of Customs will exercise the power of the Chief Customs officer for each maritime province, but will, it is proposed, be subject to the Controller General as the Chief Customs authority for the whole of India and Burma. The Controller General will be directly subordinate to the Government of India, who will themselves assume most of the powers at present exercised by the local Governments under the Sea Customs Act. For this purpose it will be necessary to amend the customs law so as to empower the Governor-General in Council and the Controller General of Custom to carry on the duties at present performed by the local Governments and the Chief Customs authorities. In this connection, the Government of India will be glad to receive the views of the Government of Bombay on the question of what powers, if any, should still be reserved for the local Government, and whether it would be desirable to entrust any additional powers to Collectors of Customs, who under the proposed scheme will be entirely under the control of the Central Government.

8. The main point, however, on which I am to request the opinion of the Government of Bombay, is the question of the future administration of customs outports. These outports are at present administered as follows:—Those in Madras are entrusted to the staff of the combined Customs, Salt and Abkari Department, and those in Bombay to the Salt and Excise Department. The outports in Bengal, Burma and Sind are generally administered by the staff employed at the principal ports in those provinces. The question of providing for their administration under the proposed scheme is one of some difficulty, but the Government of India are inclined to consider that it should be capable of solution on the following lines. It is proposed that the whole administration of sea customs and the customs staff should only be imperialised at such ports as are of sufficient commercial importance to justify the maintenance of a separate staff. For the administration of such ports, the Government of India propose to create a subordinate customs service for each province, the members of which might suitably be styled "Extra Assistant Collectors of Customs." This service would be placed under the direct control of

the Controller General in matters of establishment. It is suggested that officers of this service should not be transferred from one province to another save in exceptional cases. All other ports, *i.e.*, all such as are not considered to be of sufficient importance to justify a separate staff, would be closed to foreign trade. The arrangements required for carrying on preventive or coast-guard work at such ports might, in the opinion of the Government of India, be left to local officials under the Government of Bombay, who would act in this connection as agents of the Central Government. The Government of India recognise that it may be necessary to make assignments to the local Governments in this connection so as to provide for a share of the salaries of the officers engaged in work of this nature.

9. A further question of some difficulty is that of the land customs. In the opinion of the Government of India, if the administration of sea customs is centralised, that of land customs should logically be treated in the same way. For the present, however, the Government of India see no objection to the continuance of the existing arrangements, pending a full consideration of the whole question after the appointment of a Controller General of Customs.

10. I am now to request that the Government of India may be favoured with the views of His Excellency the Governor in Council on the above scheme generally after consulting the commercial public. In particular, they would be glad of local Governments' opinion on the proposals outlined in paragraph 8 of this letter; and I am to request that they may be furnished with definite proposals as to the customs outports in Bombay, the administration of which can suitably be taken under the direct control of the Government of India. Finally, I am to ask that the Government of India may be furnished with :—

(1) detailed information as to the staff at present employed in the office of the local Chief Customs authority and in the local Secretariat in dealing with customs work and the cost of such establishment, together with the number of receipts and issues dealt with by them and

(2) an estimate of the allotments, if any, from Imperial revenues which may be considered necessary to meet the cost of the administration of those outports which, in the opinion of the

Government of Bombay, should not be taken under the direct control of the Government of India.

11. If the changes indicated in this letter are finally decided upon, the Government of India would like to carry them into effect as soon as the necessary legislation can be carried through. I am, therefore, to request that a special effort may be made to send a reply to this letter not later than January 31st next.—I have etc.,

H. A. F. LINDSAY,
Secretary to the Government of India.

No. 165-284

Chamber of Commerce,
Bombay, 30th January 1922.

The Under Secretary to the Government of Bombay,
Revenue Department,
Bombay.

Sir,—I am directed to acknowledge receipt of your letter, No. 3455-G, dated the 6th December 1921, and its accompaniments, on the subject of a proposal to centralize the administration of the Customs Department.

2. In reply I am to state that the proposals contained in the letter from the Government of India in the Department of Commerce, No. 6767, dated the 24th November 1921, copy of which accompanied your letter under reference, have received the careful consideration of my Committee in conjunction with the various shipping interests concerned.

3. So far as the proposals outlined in Mr. Lindsay's letter are intended to secure uniformity in Customs Administration throughout India I am to state that my Committee have no objections to raise in regard thereto.

4. My Committee, however, take exception to the proposals put forward for the closing of certain outports to foreign trade.

5. From paragraph 8 of Mr. Lindsay's letter it appears to be the intention of Government that the whole administration of Sea Customs and the Customs staff should be imperialised only at such ports as are considered to be of sufficient commercial importance to justify the maintenance of a separate staff; and it is distinctly stated that all other ports i.e., all such as are

not considered to be of sufficient importance to justify a separate staff would be closed to foreign trade, by which, my Committee assume, is meant all imports arriving from countries outside India.

6. My Committee submit that to close any port, however small, to foreign trade constitutes a very considerable departure from the existing practice in all parts of the world and they are inclined to press very strongly the rights of every port to be free to every kind of trade. They are of course fully confident that it is Government's intention to hamper trade as little as possible and they assume that any port which shows signs of developing a foreign trade of any magnitude or importance will at once be given a Customs staff. But in the meantime it appears that small ports which may occasionally receive consignments of foreign merchandise will be debarred from this concession; the merchandise in such cases will have to be cleared at a Customs port and re-shipped to its destination, and my Committee submit that this course will constitute a very considerable hindrance to trade, and will also affect adversely the steamship companies concerned in the matter of claims.

7. For the reasons above given my Committee conceive several very serious and obvious objections to the general procedure suggested in paragraph 8 of Mr. Lindsay's letter and for that reason they are not disposed to make any suggestions, as invited in paragraph 9, with regard to the particular Customs outports in this Presidency the administration of which can suitably be taken under the direct control of the Government of India. My Committee are also of opinion that the proposals in their present form are generally too vague and they prefer to reserve their final judgment until the suggestions are submitted to them in a more definite and concrete form.

8. In the meantime, however, My Committee desire to reiterate their contention that it is advisable that each port should be open to all descriptions of trade and that, if Government consider that certain ports are not of sufficient size or importance to justify the maintenance of a permanent Customs staff, to suggest that a group of closed ports should maintain between them one staff, the personnel of which might be located at the port most centrally situated, and be available for duty at any of the other ports comprising the group. At the same time the system obtaining at present in Bengal, Burma and Sind under which outports are administered by the staff

employed at the principal ports might not only be continued but adopted generally throughout the country.

9. Finally I am to say that my Committee are anxious that the changes contemplated should not reduce in any degree the general authority of the local Collectors of Customs in matters of routine as they consider that any advantages which the commercial community are likely to gain from the adoption of the new system would be more than neutralized if uniformity in administration and procedure merely meant that a Collector General of Customs formulated a code of inflexible rules and regulations and left, in the matter of its administration, less than at present to the discretion of the various Collectors.—I have etc.,

C. B. SAYER,
Secretary.

No. 176-284
Chamber of Commerce,
Bombay, 2nd February 1922.

The Secretary to the Government of India,
Department of Commerce,
Delhi.

Sir,—I have the honour to forward herewith, for the information of the Government of India, a copy of my Committee's reply to the Government of Bombay on the subject of the proposal to centralize the administration of the Customs Department, contained in the letter from your Department to the Maritime Local Governments, No. 6767, of the 24th November 1921.—I have etc.,

C. B. SAYER,
Secretary.

No. 770.
Government of India,
Department of Commerce,
Delhi, 8th February 1921.

The Secretary, Chamber of Commerce,
Bombay.

Proposed centralisation of the Customs Department.

Sir,—I am directed to acknowledge the receipt of your letter No. 176-284, dated the 2nd February 1922.—I have etc.,

E. C. ANSORGE,
Deputy Secretary to the Government of India.

APPENDIX L--2

IMPORTATION OF DYESTUFFS INTO INDIA.

Note:—In view of the somewhat controversial nature of the subject in question the Committee have since decided that no correspondence under this appendix should be published.

APPENDIX L-3.

INCREASED IMPORT DUTY ON COTTON GOODS.

No. 3686.

Government of India,
Department of Commerce,
Simla, 19th May 1921.

The Secretary,
Chamber of Commerce,
Bombay.

Sir,—I am directed to forward 10 copies of the proceedings at deputations on the Indian cotton duties received by His Majesty's Secretary of State for India from the Manchester Chamber of Commerce and from Associations of cotton manufacturers and operatives, etc., on the 10th and 23rd of March 1921, respectively. I am to request that the proceedings may be circulated among the members of the Chamber, for their information.—I have etc.,

J. B. TAYLOR,
Under Secretary to the Government of India.

MINUTES OF PROCEEDINGS at a Deputation on the increases in the Import Duty on Cotton Goods entering India, from the Manchester Chamber of Commerce to the Secretary of State for India, received at the India Office, Whitehall, S. W., on Thursday, 10th March 1921.

Present :

The Right Hon. EDWIN S. MONTAGU, M. P., Secretary of State for India.

Sir WILLIAM DUKE, G.C.I.E., K.C.S.I., Permanent Under Secretary of State for India.

Mr. CECIL H. KISCH, C.B.

Mr. E. J. TURNER, C.B.E.

Deputation from the Manchester Chamber of Commerce:-
Sir EDWIN STOCKTON (President).

Mr. W. CLARE LEES (Vice-President).

Mr. EDWARD RHODES (Sir Jacob Behrens) (Chairman, India Section).

Mr. F. A. LAUDER (Messrs. Henry France and Lauder) (Vice-Chairman, India Section).

Mr. J. RANKINE FINLAYSON (Messrs. Ashton, Hoare & Co.)

Mr. MALCOLM HAYES (Messrs. Glazebrook, Steel & Co.),

Mr. J. HAROLD RODIER (Messrs, Geo. Robinson & Co.)
Mr. E. RAYMOND STREAT (*Secretary*).

Sir Edwin Stockton: Sir, I should like first of all to thank you for your kindness in agreeing so readily to receive us. I should like, as President of the Manchester Chamber, to explain the position. We have, as you

know, a Chamber of Commerce in Manchester which is a very strong body indeed, because it is representative of practically every merchant shipping to India, not only from Manchester, but really the whole of the export Indian trade from Lancashire. The representatives here to-day represent very fully the unanimous feeling in regard to this question. I will ask, without any further delay, Mr. Edward Rhodes, who is the Chairman of our Indian Section and who has the whole of the details at his fingers' ends, to present the case to you. He will probably be able to deal with it himself without any amplification from any of the other representatives present, unless there is something very important that any other member desires to mention afterwards. With those few words I will ask Mr. Rhodes to deal with the matter.

Mr. Edward Rhodes: Sir, it is just four years ago since we came to see Mr. Chamberlain on a similar subject, as you will probably remember. The occasion then was the raising of the import duty on goods going into India from 3½ per cent. to 7½ per cent. That Deputation was a very large one. It comprised not only ourselves—I mean the Chambers of Commerce of Lancashire—but also the cotton spinners and manufacturers in subsidiary trades, trades hanging on to the others. We felt at the time that that was a mistake, and I will show you why in a minute. I hope to prove that we are right in asking you to receive us as representatives of the great commercial community of Manchester. The bulk of the speeches—and excellent speeches, too— were made by the cotton spinners and manufacturers, the masters and the men; and at the very end of the proceedings Mr. Stoker, Sir Edwin Stockton's predecessor in office, and Mr. Norton Barclay, an ex-President of the Manchester Chamber, voiced the feelings of the Chambers of Commerce. I remembered the Deputation as though it were yesterday, when looking up the record. Mr. Chamberlain, when he rose to reply, said something that rather tickled the fancy of some of us who were there, whose lives had been spent in the cotton trade, either in England or in India. He said nothing had struck him more in the speeches than the absolute want of knowledge of Indian conditions and Indian people. That came about in this way, Sir. Probably you do not know that the Lancashire cotton industry is rather an extraordinary one in this regard—that it is a compartment trade. With the exception probably of two or three or four manufacturers,

none of the people deal direct with India and never have done, and, as I believe, they have no desire to do so. The whole of the pioneering from the very beginning and even until the present day is done by merchants who have their houses, their staffs, their travellers and their representatives in India, who from north to south and from east to west do propaganda work for the industry of Lancashire—the cotton industry. It was because of that that we felt (and in this my colleague, the President agreed, and I had the unanimous support of my Executive) that we should ask you, Sir, to receive us, because we did not want, if I may say so quite frankly, to be under the burden any longer of it being said that we did not know what we were talking about. At any rate, whether we are right or whether we are wrong in our views, I can look round and see two or three men who have done what I have done, sweated in India, and we feel that we can tell you, without in any way poaching on the preserves of the representatiye of the admirable organisations that are coming to see you later on, what we think on the subject. It is from that point of view, and in order that I might not use vain words or vain repetitions that I made rather more copious notes for to-day than I usually do. I therefore speak to you from the point of view of men who know the feeling—perhaps imperfectly, but still know the feeling—on the other side as well as on this, and I am sure that we bring to the subject a sympathy that might be alien from those who have not had the experience that we have gained in our life's work in India and in this country. That is to say, we know the Indian thought as well as an Englishman can do, and that is not saying very much. We know the Indian feeling as well as we can do, as well as the feeling of our fellow-countrymen who are distressed by the present increase in the duty.

Sir, I do not want to be too long over the matter but behind us is waiting a great community extremely anxious about the outcome of our interview with you, and, at the risk of being pulled up by you for being too long, I want as briefly as I can, to take you back not only to 1917 but a little beyond that before we deal with things as they are at the present day.

Sir, in the first place, as you know, in the year 1882 the import duty was absolutely abolished. In the 90's under Lord George Hamilton the 3½ per cent. import duty and the 3½ per cent. excise duty were imposed. I

ask you to note this particularly, because Lancashire men have been accused, especially in the Press here in London, of being rather grasping and self-seeking, that our squeal is great merely because we are hit in our pockets and for no other reason. I refer you to the Press at the time of the interview in 1917; you will find that that was rather notorious. But we are in rather good company in not desiring to have these duties at all, and that is my starting point. If we could, Sir, we would abolish not only the excise duty but we would abolish the import duty as well; we would abolish both of them if we could. Lord Salisbury said in 1875 or thereabouts: "These considerations will, I have no doubt, commend to your Excellency's mind"—he was referring to the then Governor-General—"the policy of removing at as early a period as the state of your finances permits, this subject of dangerous contention"—that was the duty. "The precaution has indeed been delayed too long."

Skipping over a considerable period of time, I come to the year 1917, when your distinguished predecessor in office, Mr. Austen Chamberlain, had to deal with this very knotty point. He said: "Do not think that so far as my personal opinion goes I particularly like this policy"—the policy of duties. "If I had any views about the cotton duties when I entered this office it would be that I should like to get rid of them lock, stock and barrel, customs and excise, but it is no use talking like that in the circumstances we are faced with to-day."

That takes me to the next point. I say we are in good company because we are in the company of those distinguished statesmen who themselves at the time felt the extreme danger of bringing them duties about, either excise or import. The next thing I want to do, Sir, is to take you back to the reason of the imposition of the 7½ per cent. duty in the year 1917. You will remember quite distinctly that our guns were rather spiked (with the exception probably of one or two extremists) because Mr. Chamberlain made an appeal that we could not very well resist. Even then we were very grumpy about it and we feared the consequences which have since happened. We were true prophets. Mr. Chamberlain appealed to us on behalf of our Indian fellow subjects of the Empire that they, having heard many complaints that they had not put up money for the war, offered 100,000,000*l.* and afterwards asked that they might be allowed to raise this money by the imposition of the

extra 4½ per cent. When we were appealed to from that point of view we felt somehow that we could not very well at the time go much further forward with it, and we had literally to grin and bear it. At the time the very pertinent question was raised of the increase of the excise duty, Mr. Chamberlain then said—I want to be very careful that I do not misrepresent him—in effect that he could not agree to that because the question of the excise duty had been an open sore in India for 20 years and that he did not want (these are my own words, but I am giving the sense of what he said) to look a gift horse in the mouth.

I cannot let that period pass, Sir, without saying in this year 1921 that we then warned Mr. Chamberlain without any ulterior motive—if I may quote from Mr. Hailey's speech—that by failing to raise the excise duty to an equal amount that we were to pay he was opening the door to trouble that would come in the future. You will find that in the report at the time. But, do what we would, we could not persuade Mr. Chamberlain to take the plunge. Even then he felt it would be unwise to insist, as had been practically promised to the Lancashire people in 1894 or 1895, that really it was not intended in any sense as a protection but as merely duty raising, and that the excise duty should be equal to the import duty. We felt we had been rather badly let down, but we could not kick much because the war was on and we were extremely anxious to do our share in Lancashire to win it. The sacrifices that Lancashire made are history now. The money poured out of the country and the lives lost out of our dense population speak for themselves.

Now, Sir. we come to the question of the present time and the action that has been taken by His Majesty's Government—I say that deliberately, Sir,—and the Government of India in raising the import duty from 7½ per cent. to 11 per cent.

Mr. Montagu: I do not want to interrupt you, but I just want to ask you a question. Choose your own arrangement as to how you tell me your case, but I am very anxious to get from you at some time or other your appreciation of the effect on your trade of the changes made in 1917. Are you going to deal with that later on?

Mr. Rhodes: Yes.

Mr. Montagu: Thank you very much. I am sorry I interrupted you.

Mr. Rhodes: I am going to deal with that point later on. I must tell you about our appeal in 1917, because you were not then the principal Secretary of State for India, and I was not quite sure how much you knew of the proceedings. Probably you know all about it.

Then we come to the present time and the raising of the duty on imports from 7½ per cent. to 11 per cent. without any countervailing excise duty. The line I want to take—and after all I must deal with it in a practical sense—is that by their former advantage the Indians were enable in certain classes of goods not only seriously to compete with Lancashire, but practically to wipe out certain parts of Lancashire industry. From my own certain knowledge, a trade that had been done for many years previously in Bombay, what we call in the trade the Bombay dhoti trade, has practically ceased to exist—Mr. Hayes will probably correct me if I am wrong. This was a trade that was formerly a very large one, but, as the yarns employed in the manufacture of the goods are on the coarse side, with a duty against us and with an increased cost of production and freight, we were practically entirely wiped out of the trade. You will find too, Sir, that the Bombay mills are even at the present time as compared with the Lancashire mills in an extraordinary busy state.

The question I want to bring to your notice, Sir, is firstly the advantage the Bombay mill owners have as against us in the manufacture of goods. In parenthesis I may say that you will find no Manchester merchant, or London merchant, or Lancashire mauufacturer, or cotton spinner, or buyer, or bleacher, or calico printer grumble if we have equal treatment with the Indian producer; that is to say, we do not mind if you put on an 11 per cent. excise duty and charge us that 11 per cent. so long as as we have an equal handicap. We are willing to put up with all the disadvantages we have to face and overcome them by our organisation. We do not mind that at all so long as we have an equal handicap.

Now take the exact facts of the case. You, Sir, have been in India; you know all about it. You know the conditions in the Indian mills as compared with the conditions in the Lancashire mills. You know the cheap wages, you know the long hours worked, you know the conditions in Lancashire, you know the cost of the carriage of our cotton from America and worse than that you know the cost of the freight

of our piece goods, the manufactured article from English ports to India. I shall touch very briefly in a moment or two on the outside competition, besides the Indian competition, that we have to face, which is even increased by this latest move of the Indian Government, sanctioned by His Majesty's Government through you, Sir. One great thing I want to impress upon your mind, Sir, is that neither the President of the Chamber of Commerce nor myself nor any of my colleages come here in any selfish frame of mind. It is not merely because we are the representatives of the greatest industry in the world. It is not merely that; it is because we feel that, if we have equal opportunity, in spite of our tremendous handicaps, that are increasing every year, we shall not complain at all. It is really because the saddle is being weighted horribly against us that we appeal to you to-day to give us a fair chance in the race. You will hear some people say, especially people in outside trades, when we speak about putting a countervailing excise duty in order to help us: "Yes, but we do not grumble at all. Why should you ask the Indian people to put up with an excise duty in order that you fellows may get in your goods against them in India? We do not do that." This is the note I have made of my reply to that,—that their articles are not made in India. Motor-cars, motor-cycles, tyres, clocks, watches, and so on, are not made in India, so that they are in the same position without as we should be with an excise duty. That is to say, Indian people must come to them whatever import duty you put upon their articles at the present time, and for years to come. They are perfectly safe and they do not mind the import duty at all, because the consumer must pay. Coming up in the train my colleague, Mr. Hayes, of an eminent firm in Manchester, gave me some figures that I prepared myself for the last Conference held at the India Office in 1917. They show in fact what the increased duty means—I am coming down now to details. Mr. Hayes very kindly worked this out for me. I do not know whether you will recognise the trade names, but they refer to very important descriptions of goods. In grey shirtings the imposition of the extra 4 per cent. means 9¾ per cent. in India's favour. We have to take into account all sorts of things, as freight. In white shirtings, in which there is a huge business done, the difference in India's favour is 12½ per cent. In calico prints, in which, as you know, there is also a huge business done, the difference in India's favour is 26 per cent. Another reason why you

should not weight the saddle against us is the enormous freights we are paying. I ask you to bear that in mind, Sir. I have had some figures sent to me, but these probably apply more to Continental competition. In January 1921 to Bombay, Karachi, Calcutta, Madras and Colombo, the charge was 45*s*. weight and measurement freight from Antwerp, and I think the rate we are paying now is about 105 or 106 *plus* 10 per cent. As we are charged on the c.i.f. price, you will gather that when we put on these enormous charges for wages (and you know how troublesome the labour question is, Sir), and freight, when we put on the *ad valorem* charge, our prices, in competition with the Indian mills, for such goods as they are at present making and are beginning to make and will continue to make (and I hope they will continue to do so, because they have a perfect right to do so), are hopelessly out of it. They will not get any better in comparison, and that really is the essence of my own plea to-day. If, as Mr. Hailey says, he wants to raise more money—and I believe him—and he puts on an import duty, why not make the countervailing excise duty and the import duty sufficient on one side or the other to raise the number of crores of rupees he anticipates he will have as a deficit at the end of 1921-22?

I now want to deal very briefly with what it means in the future. The cotton trade of Lancashire (and this you will be told probably in very emphatic terms by the cotton spinners and manufacturers, Sir) is a very important one. That point needs no pressing. I am constrained to say, Sir (I have not spoken on this matter to my colleagues) that I come here to-day (I am not going to talk politics) as a very ardent supporter of His Majesty's present Government, and yet I feel that in these awkward times, when we are almost crushed under the load of taxation, when God knows we are looking about for every possible means to raise the money we need and shall need in the future, for whatever reason is best known to you, Sir, you are taking I am afraid, a step which will maim and mutilate and perhaps quite destroy in certain branches, one of the greatest, if not the greatest, revenues we have, if things are allowed to go along the lines that I have put before you. Again, I am in good company in regard to the importance of this trade.

That brings me very diffidently to touch on the political aspect of the question. I am going to take it very broadly, because I do not want to weary you, and

you can fill in the gaps in what I tell you, because you know the circumstances perfectly well, as you are not only His Majesty's Secretary of State for India but you have been to India. In regard to the 1919 Government of India Bill, I quite agree with Lord Curzon when he said that he was surprised the Government did not see in what direction things were tending when your veto, Sir, was rather modified. I was in India at the time he was Viceroy. He said he was glad that things people had been talking about so long had come to pass, and that we were going to let the Indians do exactly what they liked—I am paraphrasing now what he said. That is a two-edged sword. If you will forgive me for saying so, Sir, I think this ought to have been treated as an Imperial question. The impression we were left under—and it swayed our opinion a great deal—was that the whole question should be dealt with in an Imperial Conference on the broad lines of Imperial taxation, Sir. I challenge you, Sir, quite in a friendly spirit, that that was the impression we were left under, and that it was stated not only in His Majesty's India Office but also in Parliament, that it should be dealt with as an Imperial question after the war. I plead with you, Sir, and suggest that that will be the best method of satisfying everybody, even including our Indian fellow subjects.

The Government of India Bill does not deprive you entirely of our powers, Sir. Again I am touching on very delicate ground when I say that, great as your conception is of teaching a great nation to govern itself, and wonderful as that conception is, self-government in India is something that would be best administered in homeopathic doses. 97 or 94 per cent. of that great population may not be termed educated. I challenge you again, in the most friendly spirit, Sir, as an Anglo-Indian, as you are, that your troubles at the present moment—and they are very big—are caused not by the 94 per cent. of the peaceful agricultural population but by the 6 per cent.—aye, and less than 6 per cent.—by a particle of the 6 per cent. of intellectuals. Had the practical promise of His Majesty's Government at the time been kept—it was this Government, as a matter of fact, the whole thing would have been relegated to an Imperial Conference. With regard to the unrest in India, I touch on it not merely because it is mere talk, but because I and some of my colleagues sympathise with you in the difficulties that you have day by day and hour by hour. We know the problem that faces you if you

attempt, as I hope you will do, to alter these new duties and make them a more equitable burden. Our knowledge is fairly definite; we get our cables day by day; we get our letters week by week. I myself have in my pocket a despatch from peaceful Madras, and even peaceful Madras is talking with wide open mouth. May I say to you, Sir, that if there is not to be an absolute calamity you will have to take the plunge some time or other? If, for the sake of raising this comparatively small amount of revenue that Mr. Hailey spoke about, you insist on this 11 per cent. duty, with very great deference I want to say to you, Sir, that I think you are making a mistake. I believe you will find, as I have found in my life, that you must deal gently and fairly and as a brother with these people on the other side, but they understand yes and nay better than anything else.

That brings me now to the question that you will probably put to us: How are we going to raise this money? My answer is no doubt what you have anticipated. I speak on behalf of the Chamber of Commerce and my colleagues, and behind them the great community of Indian merchants, the greatest community of merchants in the world. I say that we advise you to stop, to get in touch with your colleagues on the other side and to use the power that still rests with you; that this is a matter of Imperial concern. Mr. Chamberlain said: "We recognise that the cotton industry of Lancashire is something more than just a mere local concern, that it is a large Imperial asset, a large slice of the trade of the Empire, an Imperial concern." I hope, Sir, you will use your great powers, because you have the veto yet, and cause a Conference to be held even now, if you like an Imperial Conference; but, better still, hold up these duties so that we have a chance of retrieving what is, as you know, in Lancashire at the present moment the most awful position the county has ever been in, even including the American Civil War.

Sir, I should say that that would be one way of raising the money. Has it never struck you, Sir, how unequal, if you are going to make us all one brotherhood, one Imperial whole, is the incidence of taxation in the two countries? When living in India I am always glad to be there, because if I can stay long enough my taxation, excepting from investments here, is a flea-bite—and my friends will agree with me there. Speaking entirely from memory, I think you will find, if you take Mr. Hailey's

figures, that the maximum taxation in India is to be a 16 pie taxation, which I work out to be just less than 8½ per cent., as a maximum tax on incomes. If you take his proposal for supertax, you will find that it is to be a 4 anna tax over 3½ lakhs. Taking a 16*d.* rupee, at 3½ lakhs it gives you about 23,333*l.* The class that I am thinking of in India, the mill-owner class (because very few people in India, barring some of the Raj people, who may be very rich, and some of the Bombay people, who are very rich, have these incomes, except the mill-owner class), get off with only about 23 per cent. on anything they have over 25,000*l.*; that is to say, a man may have to pay 25 per cent. over 25,000*l.* as supertax, and he pays 8½ per cent. on his income. We pay practically 30 per cent. income tax, and we have supertax beyond 2,500*l* a year.

These discussions are not of much use if obstructive criticism only is indulged in. My practical suggestion to you, Sir, is that you should most seriously consider the question of reducing the import duty to an amount less than 11 per cent., and bring up the countervailing excise duty to that figure; and turn a deaf ear to those counsels given you in India, which are to the effect that if you do it there will be no end of a bother there. There will be no end of a bother here, not from the same point of view, but no end of a bother from the destruction of this huge industry, or the part of it relating to India, if you are not very careful.

That comprises really the gist of what I wanted to say. Firstly, we are not here to carp; we are not here in any captious mood; we are here rather to beg you to stay your hand in these duties that we think will be to the detriment of an industry which your colleague, the Chancellor of the Exchequer, will need to look to for support, and which we are willing to do our best to maintain, in spite of the terrible handicaps, and to increase, if you have a fair run for our money. In India there is the biggest field for cotton goods in the world—that is a point I have missed. I believe you will find that the part that India takes of English cotton goods is roughly from one-fourth to one-third of the whole of the exports from Lancashire. The figure is 36 per cent. in the 1913 Blue Book, but it is a little more now; China is 12 per cent.; the Continent and the United States 10 per cent., and so on. At one time there used to be a boast in Manchester that the port of Calcutta took more cotton goods than the whole of the Empire of China put

together, and China was the second best. The point I am trying to make is that the industry of Lancashire is worth a thought from the Imperial standpoint; and, in addition, we are pleading for it from the point of view of the teeming population of Lancashire. As you know, Sir, in an area of 35 miles from the Manchester Exchange there is a denser population than anywhere except in the City of London, and it is with a very earnest hope that you will take those facts into consideration that we have come before you to-day.

In conclusion, I want you and your colleagues in the Cabinet and the Government of India to believe (and I speak not only myself but for my colleagues here and for the great Chamber we represent) that we are animated by no spirit of pettiness, no movement against His Majesty's Government or the Government of India, but by an earnest and deep-seated desire to preserve the cotton trade—that great Imperial asset—from danger of mutilation and destruction, so that it may continue to provide the daily bread of the teeming population of Lancashire and provide those exports so urgently called for by the Prime Minister and his fellow statesmen and by every thinking man for the very existence of our beloved country. Do not, I beg of you, lightly maim or destroy the tremendous advantage you already have in the cotton industry of Lancashire.

(After Mr. Rhodes's speech some informal conversation took place in the course of which Mr. Montagu explained that he must postpone a formal statement of his views until he had heard the representatives of the Cotton Spinners' and Manufacturers' Association and the other organisations of employers and workmen who were sending a deputation on 23rd March.)

REPORT OF PROCEEDINGS at a Deputation on the Indian Import duties on Cotton Goods to the Secretary of State for India, received in the Council Chamber, India Office, S.W., on Wednesday afternoon, March 23, 1921.

Present:

The Right Hon. EDWIN S. MONTAGU, M.P., Secretary of State for India.

Sir WILLIAM DUKE, G.C.I.E., K.C.S.I., Under-Secretary of State.

Sir ARTHUR HIRTZEL, K.C.B., Assistant Under-Secretary of State.

Sir CHARLES S. BAYLEY, G.C.I.E., K.C.S.I. I.S.O., Vice-President.
Sir CHARLES ARNOLD WHITE.
Sir MURRAY HAMMICK, K.C.S.I., C.I.E.
Gen. Sir EDMUND BARROW, G.C.B., G.C.S.I.
Sir JAMES BRUNYATE, K.C.S.I., C.I.E.
Sir G. O. ROOS KEPPEL, G.C.I.E. K.C.S.I.
} Members of the India Council.

Mr. CECIL H. KISCH, C.B.
Mr. E. J. TURNER, C.B.E.
Mr. S. K. BROWN, Private Secretary.
Sir WILLIAM BARTON, M. P.

Mr. TOM GARNETT, representing the Cotton Spinners' and Manufacturers' Association, Manchester.

Mr. JOHN SMETHURST, representing the Federation of Master Cotton Spinners' Association, Manchester.

Mr. W. C. ROBINSON
Mr. WM. THOMASSON
Mr. JOSEPH CROSS.
} representing the United Textile Factory Workers' Association, Accrington.

Mr. T. N. GRANT, representing the Allied Association of Bleachers, Dyers, Printers and Finishers, Manchester.

Representatives of the COTTON SPINNERS' AND MANUFACTURERS' ASSOCIATION, 12, Exchange Street, Manchester:—

Mr. F. A. HARGREAVES *(Chairman)*, Burnley.
Mr. JOHN AINCOW, Bolton.
Mr. ROBERT COTTON, Haslingdan.
Mr. A. FEARFULL, Ramsbottom.
Mr. ARTHUR FOSTER, Preston.
Mr. TOM GARNETT, Clitheroe.
Mr. GEORGE GREEN, Padiham.
Mr. E. C. HARVEY, Littleborough.
Mr. ERNEST HOLDEN, Preston.
Mr. JOHN A. ORMEROD, Blackburn.
Mr. H. C. PATESON, Chorley.
Mr. ARTHUR PICKUP, Darwen.
Mr. ERNEST SMITH, Burnley.
Mr. JAMES SMITH, Blackburn.
Mr. JOHN SMITH, Colne.
Mr. JOHN STUTTARD, Burnley.
Mr. CHARLES TATE, Blackburn.
Mr. JOHN TAYLOR, Blackburn.
Mr. J. T. WALMSLEY, Accrington.

Mr. THOMAS ASHURST } *Joint Secretaries.*
Mr. WM. STUTTARD }

Representatives of the FEDERATION OF MASTER COTTON SPINNERS' ASSOCIATIONS, 340, Royal Exchange, Manchester:—

Mr. JOHN SMETHURST (*Chairman*), Manchester,
Mr. W. BRANSON, Manchester.
Mr. G. F. BYROM, Ashton-under-Lyne.
Mr. G. W. FIELDING Ashton-under-Lyne.
Mr. T. GARTSIDE, Oldham.
Mr. WM. HAMER, Ashton-under-Lyne.
Mr. W. HEAPS, Bolton.
Mr. ALFRED HILL, Bolton.
Mr. WILLIAM HOWARTH, Bolton.
Mr. R. H. JACKSON, Oldham.
Mr. C. C. NEWTON, Oldham.
Mr. JESSE THORPE, Oldham.
Mr. R. THRELFALL, Atherton.
Mr. J. WILD, Wigan.
Mr. R. WORSWICK, Rawtenstall.
Mr. JOHN POGSON (*Secretary*), Manchester.

Representatives of the ALLIED ASSOCIATION OF BLEACHERS, DYERS, PRINTERS AND FINISHERS, 1, Booth Street, Manchester:—

Mr. T. N. GRANT (*Chairman*), New Mills.
Mr. J. CLARKSON, Manchester.
Mr. B. H. CRABTREE, Manchester.
Mr. A. K. DAVIES, Manchester.
Mr. MARK FLETCHER, Manchester.
Mr. FORREST HEWITT, Manchester.
Mr. LENNOX B. LEE, Manchester.
Mr. C. PICKSTONE, Radcliffe.
Mr. J. H. SWALLOW, Manchester.
Mr. L. D. KIDSON (*Secretary*), Manchester.

Representatives of the UNITED TEXTILE FACTORY WORKERS' ASSOCIATION, Ewbank Chambers, Accrington:—

Mr. F. ASHWORTH, Oldham.
Mr. LUKE BATES, Blackburn.
Mr. JAMES BELL, M.P., Oldham.
Mr. F. W. BIRCHENOUGH, Oldham.
Mr. J. BROMILEY, Bolton.
Mr. JAMES CRINION, Oldham.
Mr. EDWARD DUXBURY, Bury.
Mr. JOSEPH EDGE, Bolton.

Mr. S. T. GOGGINS, Ashton-under-Lyne.
Mr. JAMES HINDLE, Burnley.
Mr. JOHN HOLT, Heywood.
Mr. J. JOHNSON, Blackburn.
Mr. G. W. JONES, Bolton.
Mr. W. NABB, Bury.
Mr. W. POPE, Hyde.
Mr. W. C. ROBINSON, Bury.
Mr. D. RUSSELL, Padiham.
Mr. THOMAS SHAW, M. P., Colne.
Mr. E. STRONG, Blackburn.
Mr. W. THOMASSON, Manchester.
Mr. W. J. TOUT, Todmorden.
Mr. JAMES WHITE, Colne.
Mr. G. WHITTAM, Haslingden.
Mr. W. WOOD, Bolton.
Mr. J. WOOLLEY, Preston.
Mr. JOSEPH CROSS (*Secretary*), Accrington.

Representatives of the MANCHESTER COTTON ASSOCIATION, 22, St. Mary's Gate, Manchester:—

Mr. FREED A. TOMLONSON (*President*), Manchester.
Mr. H. ROBINSON (*Secretary*), Manchester.

Sir William Barton, M.P.: Mr. Secretary Montagu, Sir, the deputation which I have now the honour to introduce and which you are kind enough to receive, represents the Cotton Industry in all its productive sections, and is here to give voice to opinions strongly held throughout the entire industry.

I need not dwell on the magnitude and the national importance of this industry. Under normal conditions the total Exports of the country consisted as to about one-third of cotton goods, whilst of the total cotton export approximately one-third was for India. This translated into terms of employment represents a factor which no Government can ignore. The extent of unemployment in our midst to-day warns us that unless we can restore our export trade we cannot sustain our population. In the circumstances you will not be surprised to learn that the announcement of the increased import duties on cotton goods entering India was received with dismay. Much prejudice has been introduced into the consideration of this problem by an artificial balancing of Lancashire industrial interests against India's political rights. If there are material interests on

one side, there are also material interests on the other, and we would protest against any suggestion that we are unmindful either of the rights or the interests of our fellow subjects in India, whose welfare and prosperity we consider as bound up with our own. Our view sincerely held is that the true interests of the people of India and of the cotton trade of England are not opposed. We seek only that the people of India shall have access to our products on the same terms as any other products, and are of opinion that the economic condition of India is such that the clothing of its people should be as free from taxation as possible. There is at all times a great natural demand in India for cotton goods; that demand is always dominated by price, high prices cause reduced consumption; and there is reason to think that India to-day is suffering from under-consumption. The members of the deputation are not ignorant of, nor unsympathetic towards, the difficulties of the India Office, and I venture to think, Mr. Montagu, that there is not a man in this room who does not realise the great burden of responsibilty resting on your shoulders, and the delicate situation which you have to handle. They are also aware that the politicians in India support these duties, and that they have the powerful support of the Indian mill-owners, who are already clammouring for even higher duties. As I understand the position, these duties were not initiated by the new legislative body in India, and that even duties so initiated and imposed would be subject to revision by the Secretary of State under conditions which might be regarded as sufficiently grave and serious. But, Sir, such intervention would be a matter for your discretion and I am not authorised to claim it. The deputation resting on the strength of their case look rather to helpful representations from the India Office, and having regard to the special circumstances surrounding the whole case. The plea is that the additional duty is not intended as protection but is necessary for revenue, but whatever the intention, the increased duty is in fact protective. As an instrument of revenue it is inequitable and oppressive on the consumer inasmuch as the goods which he buys will be increased in price whether they are produced in India or imported from England, while the revenue will only be benefited by the imported supply.

I turn, in conclusion, to the special circumstances surrounding this case, and which would appear to provide the strongest possible claim for your help in

obtaining a revision. The last time this subject was before us was in March 1917, when Mr. Chamberlain had agreed to an increase of duty without countervailing excise, the subject at that time being complicated by a concurrent offer by the Government of India to become responsible for 100,000,000*l.* of war expenditure. The subject was raised in the House of Commons, and Mr. Chamberlain spoke as follows :—Hansard, vol. 91, 1156 : "I do not say for one moment that this last change in the Customs Duties constitutes the last word in fiscal policy or marks the definite relationship of India and its fiscal system to this country, and the fiscal system of this country and of the Empire as a whole. I look forward, like the late Government, to that survey of the whole economic position of the British Empire, of the fiscal relationship which is to prevail between all His Majesty's dominions *inter se* and between them and this country which they contemplate at the end of the war. I hope and believe that when that time comes, India will recognise her obligations and her responsibility, that she will show no jealous spirit towards an industry in this country which is of vital consequence to the Empire and which cannot be weakened without weakening India as well as ourselves." That, Sir, was on the 14th March, 1917. On the 21st March, question and answer were made as follows :—

"Mr. Barton asked the Secretary of State for India whether, pending the promised reconsideration at the end of the war, it may be taken that the import and excise duties on Indian cotton goods will remain unaltered, and that 4 per cent. will continue to be the difference between the two.

"*Mr. Chamberlain* : Yes, Sir, that is our intention and I do not think that anything will occur to make it impossible of fulfilment."

I think that it will be agreed that, coming from a Minister of the Crown on a subject which had been prominently before him, the House and the country, we were justified in regarding this as a pledge. It was so accepted and produced a feeling of security so far as it went, a feeling which has certainly not been justified by the event. These, Mr. Montagu, are the conditions, difficult and complex alike for you and for us, under which we are met, and the deputation is here with a sincere and earnest desire that some means may be found of easing the situation of the greatest seriousness.

The speakers represent the following associations, and with your kind permission I shall call upon them in the order named :—

Mr. Tom Garnett, representing the Cotton Spinners' and Manufacturers' Association, Manchester ; Mr. John Smethurst, representing the Federation of Master Cotton Spinners' Associations, Manchester ; Mr. T. N. Grant, representing the Allied Association of Bleachers, Dyers, Printers and Finishers, Manchester ; Mr. W. C. Robinson, Mr. W. Thomasson, Mr. Joseph Cross, representing the United Textile Factory Workers' Association, Accrington.

Mr. Tom Garnett (representing the Cotton Spinners' and Manufacturers' Association, Manchester) : Mr. Montagu, I should like on behalf of all the various interests represented here this afternoon to thank you for the opportunity that you have given us to lay our views which I laid before your predecessor, Mr. Fowler, I believe in this very room so far back as 1895—the views which we hold with regard to our relations with India. I said : " Now, Sir, at the outset we should like to make it quite clear that we are not here with any feeling of hostility to the Indian Government, or envy of the success of the comparatively new industry of cotton spinning and weaving by steam power in India. We prefer to think in the words of the Hon. Mr. Stevens, who was then a member of the Viceroy's Council, ' that the interests of Lancashire and India are parallel rather than opposite. Certainly we should be the last to deny that prosperity and social and political content in India benefit Lancashire and its trade more than any other part of the United Kingdom'."

One af the noblest figures in the whole of our history, and I think the most illustrious man who ever sat in both Houses of Parliament, Lord Chatham, in 1773 spoke thus : " Trade in India stands at present on little else than the guns of our ships and fortresses, a forced foundation which will fail if not timely strengthened by a system of justice and humanity, of sounder and larger policy"; and again, later, this : "The hearts and affections of Bengal are of more worth than all the profits of ruinous and odious monopolies."

With those sentiments, Sir, I beg as a humble admirer of that great man to utter for myself and the whole of our deputation our entire agreement.

Now, Sir, I hope I may be permitted. even if I take up a little time, even if I have to repeat a five-told tale, to address you at some little length. This is the fifth time I have had to appear before a Secretary of State on behalf of the cotton trade on this question. I would like, therefore, to read from the Blue Book of 1895, which defines the position which was laid down as to the relative interests of Lancashire and India by no less a Secretary of State than Lord Salisbury. Writing in July 1875, he said: "It is impossible to believe that under these conditions the duty can be permanently maintained. The entire acceptance of the system on free trade by England is incompatible with the continuance of an exception apparently so marked. Parliament, when its attention is drawn to the matter, will not allow the only remnant of protection within the direct jurisdiction of the English Government to be a protective duty, which so far as it operates at all, is hostile to English manufactures. But though the duty will not be permanent, its prolonged existence cannot fail to have serious effects. During the agitation which will precede its abolition, feelings of animosity on both sides will be aroused. It will be represented in India, however mistakenly, as a direct conflict between Indian and English interests in which Parliament is being moved to prefer the latter. This excitement will prevail more or less widely in proportion to the strength of the interests which are assumed to be affected by it; and if the prosperity of this industry" (the Indian cotton manufacturing industry) "corresponds to its present promise, the strength of these interests will grow steadily with the lapse of time ... ..." Now while this despatch was on its way to India, the Legislature in that country passed the Tariff Act of 1875, making no alteration in the import duties on cotton goods. The Secretary of State, writing in November 1875, commented on the absence of any provision as to the cotton duties in the new Tariff Act, and he remarked that the import duty on cotton manufactures was "on general principle liable to objection, as impeding the importation of an article of first necessity, and as tending to operate as a protective duty in favour of a native manufacture. It is thus inconsistent with the policy which Parliament, after very mature deliberation, has sanctioned, and which, on that account, it is not open to Her Majesty's Government to allow to be set aside without special cause, in any part of the Empire under their direct control." Lord Salisbury

regarded "the speedy removal of the cotton duties as a matter of serious importance both to Indian and Imperial interests"; and he added that "the entire removal of the duty should not be adjourned for an indefinite period, but provision should be made for it within a fixed term of years." In July 1877 the House of Commons passed a Resolution that "the duties now levied upon cotton manufactures imported into India, being protective in their nature, are contrary to sound commercial policy, and ought to be repealed without delay as soon as the financial condition of India will permit." In 1878 the Government of India exempted from import duty certain coarser kinds of cotton manufactures, which were found to be specially subject to competition from similar goods manufactured in India. In March 1879, the exemption was carried further, and was made applicable to "all cotton goods containing no yarn of a higher number than thirties." In April 1879 the House of Commons passed a second Resolution that the Indian import duty on cotton goods, being unjust alike to the Indian consumer and the English producer, ought to be abolished.

In process of time such was the prosperity of India that Major Baring, the Finance Minister, was enabled to abolish all duties, including those of the cotton duties, and make India a free port. In 1894 the necessities of the Indian Government compelled them to have recourse once more to import duties, and Lord Kimberley, being Secretary of State, after mature consideration, decided that cotton goods should be exempt from import duty. The necessities of the Indian Government growing, it became necessary that the cotton duties should be reimposed, and they were reimposed on condition that a corresponding countervailing excise should imposed at the same time. Mr. Fowler, as he then was, afterwards Lord Wolverhampton, writing on this point to the Indian Government, said: "I have said all along, and I say now, that if the manufacturers of India are prepared to submit to a countervailing duty which will destroy the element of protection, I do not see why the import duty should not be imposed. If there be any necessity for increasing the taxation of India, I see no reason why this tax could not be fairly and justly imposed, and at the same time deprived of any protective character, so that it shall go into the Treasury of India, and not into the pockets of the manufacturers. Then no injustice would be done to the English manufacturer, on the one hand, or to the Indian consumer on the other."

After a certain amount of adjustment an arrangement was reached, when Lord George Hamilton was Secretary of State for India, which imposed a 3½ per cent. import duty on cotton goods imported into India and likewise a 3½ per cent. excise duty on cotton goods manufactured there by steam power. This arrangement, Sir, as you remember, remained in force for 22 years; but in 1917 the Indian Government, having offered to the Home Government one hundred million sterling, permission was given, if I may so use the words, or at any rate His Majesty's Government here, the Secretary of State here, approved of the raising of the import duties to 7½ per cent. while leaving the excise duties at 3½ per. cent. This, of course, constituted a very serious breach in the arrangement that had been made in 1895, and the various branches of the cotton trade in England lost no time in protesting against it and asking that any readjustment in import duties that was made should be accompanied by a corresponding increase in the excise. The Secretary of State, for various reasons, which he set out before us at considerable length when we interviewed him in this room, was unable to accede to our request, but it was stated that no further alteration or increase should be instituted in the relative differences of import duties and excise except after full discussion when the whole of the fiscal arrangements of the various parts of the Empire came to be reviewed at the end of the war. That, Sir, though it did not entirely satisfy the representatives of Lancashire, was acquiesced in by them for the time. But, Sir, we are plain men, and we certainly think that after a resolution like that had been passed by the House of Commons that we were entitled to believe and entitled to think and entitled to have confidence that before any alteration was made the whole matter would be passed in review. (Hear, hear.)

Now, Sir, we come to the present time, when it is proposed to raise the import duties to 11 per cent., leaving the excise duties at 3½ per cent. I do not think it needs any very great stretch of imagination to see that that difference must necessarily work as a protective duty in favour of the Indian manufacturer. It would be absurd for any body to contend here, in England, that if the import duties on foreign spirits were raised to 20*s.* while the excise duty on home-manufactured spirit remained at 15*s.* the difference would not go into the hands of the private producers and not into the coffers of the State. It is for these reasons that we believe that we are asking

for the principles of sound taxation to be followed when we ask that the import duties and the excise duties shall be made to correspond one with the other. We are quite aware that the necessities of the Indian Government with regard to finance are great and that they must have revenue; but at the same time we cannot help but think that a deficit will be more easily extinguishable if the whole of the proceeds of a tax finds its way in the Exchequer rather than into the hands of the private producers. Those are the principles on which we tax ourselves; we cannot see any injustice in them. They have been found to inure to the benefit of the State; they have been found to ensure that all differences in prices caused by the imposition of an import duty, if accompanied by an excise, go to the benefit of the taxpayer at large and to the benefit of one section of the community. We put these views forward before Mr. Chamberlain here, and we also put them before the Prime Minister; and it was stated in the House of Commons (and I do not think it has ever been disputed that we were told that) that but for the war we had an irrefutable case. (Hear, hear.) If that is so we certainly think and hope now we shall have an opportunity of having the whole of these questions reconsidered in accordance with the rider that was tacked on to the Government resolution and accepted by the Government and passed by the House of Commons. We certainly hope and think that we are entitled to have the whole question reviewed before a final decision is arrived at.

Now, Sir, I am not going to enter into any details. I have, I hope, placed our case before you, not as it has been invented by the Lancashire industry, but as it has been laid down to us by a great Secretary of State, and as it has been endorsed by every one of his successors up to four years ago. I do not wish to go into any details, because there are other gentlemen who will speak as to the details regarding the actual incidence of the duty; but I would very seriously like to put before you the effect of the duty on the great industry with which we are concerned. We are not foolish enough to think that this duty will be paid by ourselves. It will be paid by the consumer. (Hear, hear.) The great historian of the "Decline and Fall," discussing the questions of customs and excise in the Roman Empire, says under Augustus's successors excise and customs duties were imposed upon every article of luxury or

need that found its way to the great centre of wealth and learning in Rome. But in whatever terms it was expressed, it was the Roman consumer and not the provincial producer who paid the tax. Then, to clinch his argument, he brings forward the fact that that enlightened despot, Nero, in his anxiety to benefit his subjects, ordered that the tax on slaves should be paid by the seller—a doubtful boon, for the buyers at once found that it was added by the seller to the price of the slave. We do not deceive ourselves about this. The tax will be paid by the Indian consumer, and when one has regard to the comparative poverty or the actual poverty of the hundreds of millions of consumers of cotton goods in India it is plain that any increase in price must a very serious handicap to our industry. (Hear, hear.) Therefore if the tax is to be imposed, we do think that the sooner means are devised whereby the revenue and expenditure may be made to balance, the sooner will the vast volume of customers of ours and of the Indian mills have more money to spend on their products and on ours.

India is our greatest customer in cotton goods. Why? We conceive because we are able to supply her better than anybody else. If she is our best market, we are also her best market in which to make her purchases. (Hear, hear.) We have never asked, and never dreamed of asking, for the slightest shade of preference for our industry in India at all. India is too poor to give anything in preference; she needs every penny of revenue that she can raise. Her ports have been free to every nation in the world, and if we have been able to establish almost a monopoly in imported goods in India, it is because we have been able to give them at a lower price than anybody else. (Hear, hear.) If we do export to India large quantities of goods, is not that the means whereby Indian produce is paid for? Are not cotton goods the means by which Indian tea, Indian cotton, jute and the thousand and one things that India grows which we cannot, and which she has to supply us with, are brought to this country? Our interests, as I ventured to say at the beginning, are parallel, they are not antagonistic. The more prosperous, the more peaceful India is, the greater plenty she enjoys, the better for us. It is sometimes said or thought that merchants and manufacturers have to take a provincial view of things. I think that is a very mistaken idea. There is no trade with its ramifications extending over the

whole of the world but is compelled to take an intelligent interest in things political and in things economic. China cannot be afflicted with a famine; there cannot be a drought in Texas; there cannot be floods or pestilence or plague or famine in any part of the world in which the repercussion is not felt in our industry. Therefore I think we have a right to say that we do not look at this matter from a merely parochial and merely provincial aspect. Further, anybody who writes down the Lancashire cotton trade as a mere provincial or parochial interest, does a very grave injury not only to the Lancashire cotton trade, but to the whole community. (Hear, hear.) It is more than a great trade; it is a great national and imperial asset. Sir William Barton has told you the proportion that the exports of the cotton trade bear to our whole exports. The interests are vast—I do not mean the question of sectional or private interests of this trade—I do not mean anything of that kind; I am looking at it as a great imperial and national asset. Anything that weakens the productive power of this industry, anything that lessens its power of exportation, anything that lessens its power of competing or helping to compete for the thousand and one things that we have to bring from America and all over the world is a matter of very serious economic and, I may venture to say, political moment. At this moment this blow—perhaps that is too strong a word to use—this obstacle has been placed upon the revival of a trade that is now passing through such a crisis as I am sure the oldest man in this room cannot remember. Probably in the whole history of the cotton trade there never was such a crisis as it is passing through at this day. (Hear, hear.) It is not too much to say that were it not for the accommodation that is being given and the consideration that is being extended by debtors and creditors towards one another—debtors who may be creditors of somebody else, and creditors who themselves are debtors of somebody else—it is not too much to say that unless the greatest consideration and the greatest means of accommodation and the greatest goodwill were not being displayed all round we should be faced with such a financial panic that probably nobody has ever seen. We do feel that now is not the time that anything should be done to add any extra handicap to this industry in its struggle for recovery. The great difficulty at the present moment is to find a price as between the producer and the merchant. It is not a matter of a manufacturer giving something away without profit to-day; it

is how deeply he has to cut into losses in order to get any trade at all. Sir, this stringency and this difficulty is to a considerable extent accentuated by the inability or the unwillingness of the buyers in India to take up their goods; I think the gentlemen in this room will be able to bear me out in that. Accommodation in the cotton trade such as has never been known before is having to be extended. Terms of payment such as nobody ever dreamed of in the course of the history of the cotton trade, at any rate in my lifetime (and my experience of the cotton trade extends back for nearly fifty years) have never been known. It will need the utmost goodwill and co-operation by everybody, both masters, employees, workpeople, merchants and consumers in every direction if we are to weather this storm without a catastrophe. Now a good deal has been said—I have said a great deal myself this afternoon about this being a great national and imperial asset. I should like you to remember, as you no doubt are perfectly well aware, but may I venture to call it to your mind, that the cotton trade is not merely a cotton-spinning and weaving industry. Its ramifications extend into any and every direction. There is the bleaching, there is the dyeing, there is the printing, there is the finishing. Therefore when we speak of the cotton trade and it is employing so many operatives in its mills, the ramifications of the cotton trade do not cease there. They spread far further, and it is not an exaggeration to say that out of a population in Lancashire and immediately bordering on it of some eight millions, a very large proportion of that population owes its living entirely to the prosperity of the cotton trade. It begins with coal and it ends with ships. I would like to mention that in addition to that, the greatest and most necessary of all industries, agriculture, depends for its prosperity in our part of the world entirely in the prosperity of the textile trades. (Hear, hear.) It may not be known, but in Lancashire, which is looked on as a sort of conglomeration of factories and workshops, there are more cultivated acres than in any other county of England except the great county of York. The principle and practice of small holdings has been pushed to such a degree that I believe I am not exaggerating when I say that there are about 20,000 holdings that do not exceed 10 acres in extent. The intensive cultivation of the land is carried on, so far as the climate will allow, to the utmost pitch of perfection, and in the very blackest time of agriculture, when English wheat was sold down to 16*s.* a quarter in 1893,

our farmers, owing to the great population, which lay at their doors and which was ever ready to consume their milk, their eggs, their butter, their beef, their mutton, managed to weather the storm.

I hope I may be allowed to repeat once more that the position that Lancashire takes up in this matter is that defined for her by the responsible statesmen whom I have quoted. It is quite fashionable to talk about Lancashire greed and indifference to anything but material interests—and by Lancashire I mean not only Lancashire, but the counties that border upon her. I think, Sir, those are reproaches that are levelled without justice against a portion of His Majesty's subjects who yield to none in generosity, in industry and in public spirit. In the very worst times of the cotton trade, perhaps at the world's greatest crisis, the time of the American Civil War, when Lancashire suffered untold misery, nothing could draw them from the side of freedom from slavery, though their apparent interests at the moment would have been served by the victory of the South. I think that ought to be to their eternal credit—that in one of the greatest crises of history, when it depended perhaps whether that great community should be a slave-holding community or whether it should be a community of free men, she did take the right ground.

Now, Sir, I hope I have not trespassed too long upon your time, and I must apologise for having, as I said before, gone over a fifth-told tale. But we all of us think that it is necessary for the full and true presentment of our case that this historical *resume* should have been rehearsed before you. I hope and believe, Sir that I have said nothing and that I shall say nothing that will cause any offence either here or elsewhere, but we do think that so long as Parliament is in any degree responsible for the Government of India, so long as it has not been declared that protective duties are not harmful in their incidence, we have a right to bring our case before you and to ask you to make representations on behalf of a great industry which is of national importance. We do think we have a right to bring that statement before you. (Cheers.)

Mr. John Smethurst (representing the Federation of Master Cotton Spinners' Association, Manchester): Mr. Montagu and Gentlemen, I think it is a matter for very serious regret that the necessity has been forced upon us of again coming before the Secretary of State for India in connection with the cotton import duties. We thought

in 1917, when the duties were then extended, that at any rate before anything further was done we should have had something to say about it—(hear, hear)—or that any proposal to extend them would have been communicated to us, and that we should have had an opportunity of discussing the matter. When we appeared before Mr. Chamberlain in this room in 1917, to put it very mildly, we did not get very much satisfaction, so we thought we would see the Prime Minister and see whether we could get more satisfaction from him. He listened to us as we stated our case, and he used some words that have been quoted here this afternoon, which I will not apologise for re-quoting, because I think they are very significant words—words that stated the real facts of the case so far as it appealed to the Prime Minister. He said this: "I read every word of what was said at the deputation yesterday and undoubtedly you presented a very powerful case, and had it not been for the overwhelming and imperative considerations based upon the war I should have said that your case was absolutely irrefutable." In the House of Commons, on the discussion that then arose on that amendment proposed by Sir William Barton, Mr. Asquith I think made some reference indicating that in his opinion it was unwise to have brought this matter forward unless there had been a change in circumstances, and suggesting that there were no altered circumstances that justified the bringing forward of the matter again. Mr. Lloyd George, replying to Mr. Asquith, said: "My right hon. friend rather suggested that there were no altered circumstances that justified us in departing from the decision. I agree with him that at that time it was the only wise course to adopt. But the circumstances have changed very considerably—very considerably. There is no justification for embarking on this course unless it can be justified as a war measure. It may cause a good deal of mischief in a very important industry in this country, and there can be no justification for it except its urgency as a war measure." In the course of the debate Mr. Asquith suggested the addition of certain words to a resolution submitted by the then Secretary of State for India. The words have been referred to this afternoon, but I will take the opportunity of reading them again. These words were added to the resolution: "This House at the same time declares its opinion that such changes as are proposed in the Indian Budget in the system of Indian cotton duties should be considered afresh when the fiscal relations of the various

parts of the Empire to one another and the rest of the world come to be reviewed at the close of the war." Then we have the further statement made by Sir William Barton this afternoon that he put a question to the Secretary of State for India asking whether, in view of this resolution and the addition to it, there would be any change in the import duties and the excise duties as they then existed, and the reply was that there would be no change.

Now, Sir, we are a very homely people in Lancashire and Yorkshire, and it may be that we have an old-fashioned prejudice in favour of promises being kept. I think we have reason to believe that the resolution as submitted in the House of Commons and the answer given to Sir William Barton by the Secretary of State for India constitute a promise—at least, we take it to be so—to Lancashire that before this question was raised again we should have an opportunity of saying something about it; and we are now faced again, as we were faced on the previous occasion, with an accomplished fact. In 1917 we were told that it was justified as being a war measure we are now told that the justification for this is that it is raised for revenue purposes. Well, it appears to us that if that had really been the case and the import duties were extended for the purpose of raising revenue, there was no reason why the excise duty should not have been raised at the same time—(hear, hear)—and all the necessary monies have been raised by making a smaller addition to the import duties and a smaller addition to the excise. The two reasons given on the two occasions are first of all a war emergency measure and secondly revenue. Sir, I do not want to say anything that is offensive at all. It is rather difficult for me sometimes to refrain from saying things very plainly, and I do not mean any offence if I do. One gets into a natural habit perhaps in Lancashire, when dealing with questions from day to day, of saying things in a very blunt way and perhaps they are misunderstood by people who do not quite appreciate the characteristics of Lancashire and Yorkshire. But to us the real reason seems to be that this is intended by the people who are at the back of India or in India to be a protective measure. Anyhow, that it is protective there cannot be any possible dispute. Mr. Asquith, speaking in the House of Commons in the course of the debate referred to, used these words: "There can be no doubt that whatever be the revenue producing effect of a rise in the

cotton duties without any corresponding change in excise it must have a protective effect." Whether that be the intention or not, these duties have a protective effect and give an unfair preference to India as against Lancashire. Now, Sir, I say that the Indian cotton industry does not need any protection at all; it does not stand in need of it. It is a trade that cannot by any stretch of the imagination be called an infant industry that is struggling for its existence. It is becoming a very powerful industry and a very powerful competitor with Lancashire. We do not complain of that at all, Sir—not at all. We do not object to competition from any of the four corners of the world. All we ask is: Give us a fair field and no favour, and we will do our best to capture the markets or retain the markets that we have. (Hear, hear.) In 1899 India had cotton spindles numbering 4¾ million; in 1917 she had 6¾ million spindles; and I believe at the present time the number of spindles in India is practically 7 million. In 1899 she had 39,000 looms, while in 1917 she had 114,000 looms, and these are constantly being added to by the export of looms and machinery from Lancashire. Now take the yarn and cloth produced and imported into India. In 1899 India produced 512 million lbs. of yarn and she imported 39 million lbs. In 1906 she produced 680 million lbs. and imported 38 million lbs. In 1917 she produced 680 million lbs. and imported 18 million lbs. In 1899 she produced 356 million yards of cloth, while she imported 2,181 million yards of cloth. In 1917 she produced 1,576 million yards of cloth, while she imported 1,907 million yards of cloth. So that we see there a constantly increasing producing power of the Indian cotton mills.

It is sometimes said that Lancashire has nothing to fear from India because the area of competition is very small indeed. There are men in this room who remember that from twenty-five to thirty years ago the competition between Lancashire and India was almost entirely on the counts 1 to 20's. That has gone. India has that trade now, and she is gradually getting into the finer counts of yarn and the finer qualities of work. Again we do not complain. In 1918-19 she produced in counts 1 to 25 538 million lbs., and she imported 8½ million lbs. That market has gone from England. In the same year, 1918-19, she produced in counts 26 to 40 72 million lbs., and imported 19 million lbs. That has gone. Above 40's she produced 4½ million lbs., and imported 7 million lbs. Now take the last year, 1919-20, in counts 1 to 25 she produced 564 million lbs., and imported ¾ million lbs.; in counts 26 to 40 she produced 68 million lbs., and

imported 7½ million lbs.; and above 40's she produced 3½ million lbs. and imported 5 million lbs. Those figures show, I think that at any rate India is year after year getting more efficient and expert in cotton manufacture and is gradually getting on to the finer grades and qualities of yarns and cloths. Now take piece goods. I will take the year 1919-20. She produced of grey and bleached goods 1,164 million yards, and she imported 855 million yards. Of coloured goods she produced 475 million yards, and imported 208 million yards. The yarn exports from Great Britain to India show a decrease of 78 per cent. from 1913 to 1918, and the cloth exports from Great Britain to India in the same period show a decrease of 79 per cent.

I should like to say a word further on the question of the ability of India to get into the finer grades of yarn and cloth, and I have an extract here taken from the Indian Trade Journal of the 19th October, 1917, which I should like to read to you. This is the statement: "If a comparison be made of the figures for 1916-17 with those of the average of the five pre-war years, it will be seen that almost the whole of the increase in production took place in counts from 21's upwards. There was an increase in production of 5,381,000 lbs., or 29 per cent. in regards to Nos. 31's to 40's, and a decrease in the imports of these counts of 7,195,000 lbs., or 31 per cent. In counts above 40's there was an increase in production of 1,922,000 lbs., or 72 per cent., and a reduction in imports of 2,716,000 lb., or 36 per cent. This would show that at the present time Indian mills are manufacturing better-class yarns than was the case before the war. A member of one of the principal firms dealing in piece goods says with reference to the production of 1916-17 that 'Indian mills are gradually becoming able to produce a better class of yarns, and this is borne out by the samples which I have seen of Indian-made grey goods which are of a finer quality this year than anything I have previously seen.'"

As to the ability of India to supply her own requirements, I shall like to read the following extract from the paper "Capital" of the 21st September 1917: "The percentage of the requirements of this country which is met by the outturn of Indian mills may be estimated as follows: The total production of grey, bleached and coloured piece-goods in Indian mills in the twelve months ending March 1917, less exports of piece-goods of Indian

manufacture, amounted to 1,331,726,000 yards; the total import of grey, bleached and coloured piece-goods from foreign countries, less re-exports during the same period, amounted to 1,800,652,000 yards; so that it may be said roughly that the outturn of the Indian mills represents about 42 per cent. of the total requirements of piece-goods in this country."

As to the prosperity of India (and I am speaking on this particular point with reference to the question of raising revenue and the fact that protection is not needed by the Indian cotton trade) I will take the testimony of Sir William Meyer, who spent a great many years in India—over 30 years. He said: "Since 1900 the progress has been remarkable. Between 1900 and 1910 the number of cotton mills increased from 177 to 210, and the persons employed from 145,000 to 215,000. The production of yarn rose from 343,000,000 to 593,000,000 pounds, and of woven goods from 95,000,000 to 215,000,000, pounds. Jute mills increased in number from 36 to 60, and the persons employed from 110,000 to 204,000. Further, the percentage of manufactured goods imported into India as compared with the total imports has been steadily falling, while the percentage of manufactured goods among the exports has been simultaneously rising."

Let us see now what the Indian trade is doing at the present time, because after all it seems to me that if revenue had to be raised there was a very fruitful field that was open for increasing the revenue from the Indian cotton industry without doing it any very great harm. In 1914 the profits of the Indian cotton mills were 5.35 per cent.; in 1915, 6.60 per cent.; in 1916, 10.23 per cent.; in 1917, 20.6 per cent.; in 1918, 23.32 per cent.; in 1919, 40.79 per cent.; and in 1920, from the number of mills at present available where returns have been made, 41 in number, they have been 44½ per cent. Those are official figures. For the year 1920 the individual firms could be given if it were necessary.

Sir, my remarks are with a view to trying to prove first of all that these increased duties are protective in their incidence and must necessarily be so unless they are countervailed by an excise duty, and that the Indian cotton industry does not need protecting at all. I think I made the statement that while it was claimed in the first place in 1917 that it was a war emergency measure, and that now it is for the purpose of revenue, there is a

very wide body of opinion in India that is out for protection pure and simple to the fullest possible extent against Lancashire. Anybody who has read the reports of the proceedings of the Indian Legislative Council in India knows this, that there are people there who are out to protect India as far as they possibly can against Lancashire. The statements are made quite publicly; they do not hide their opinion at all. In March 1916 the Hon. Dadabhoy, addressing the Imperial Legislative Council at Delhi said; "Public opinion in India has all along demanded that the Government should have a heavy tariff, not only for the purposes of revenue but also for the protection it is likely to afford to our industries." There is only one point in connection with that statement I should like to make, and that is with regard to public opinion in India. We are rather hazy in Lancashire and Yorkshire as to what is meant by public opinion in India (hear, hear), whether as we understand it there is any such thing as public opinion, or whether it is not confined to a very small section of the community. We may be wrong, but perhaps someone will put us right on that point. The editor of the Indian Year Book for 1919 says: "In more recent years the agitation in favour of the excise duties has been revived by the growth in England of a strong body of public opinion in opposition to the policy of free trade. Advantage has been taken of this new phase in English economic thought to press on behalf of India the acceptance of a policy of protection, and the removal of excise duties is now claimed by the opponents to this measure as a necessary corollary of the application to the British Empire of the principles associated with the name of Mr. Chamberlain."

The president of the Southern Indian Chamber of Commerce, speaking in 1917, used these words: "Our trade, commerce and industries constitute such an important independent and vital interest for us, by themselves, that we can no longer stand any manner of interference or injury from any source, from the competition of settlers within or aliens without; from the honest Free Traders of Lancashire or our all alert and amiable rivals of the Far East; and from colonial preferences or discriminating tariffs, within and without the Empire. What we want is protection in the largest sense of the term, with freedom to develop on our own lines, with our own resources and for the benefit of the teeming millions to attain our emancipation from the present industrial

serfdom and economic bondage." If these words mean anything, if they represent any volume of public opinion, such as it is in India, it means that whenever they have the opportunity they will protect themselves against the Lancashire cotton industry. If that is the case, Sir, I think we have the right to look to His Majesty's Ministers in England to see that at any rate the true interests of Lancashire are safeguarded. We are not here this afternoon, Sir, asking for any special favour. As I said before, we do not complain about India being prosperous ; we do not complain about her building up a very fine cotton industry. Good luck to her. If she can do it on fair lines we have not the slightest objection, but we do object that the trade should be fostered and increased at the expense of our trade in this country. We were under the impression that our interests would be efficiently safeguarded by the representatives of His Majesty's Government and by the Government itself in this country. We had a right to expect that His Majesty's Ministers would hold the balance level between ourselves and India. In that expectation, Sir, we have been very gravely disappointed, and unless the inequality of these duties is removed, Lancashire, irrespective of political views, will, as opportunities arise take such action as will place its interest in the hands of those who can at least appreciate the simple justice of ascertaining the views of the organised industry of Lancashire before imposing burdens upon it which are bound to be gravely prejudicial to its future well-being. (Cheers.)

Mr. T. N. Grant (representing the Allied Association of Bleachers, Dyers, Printers and Finishers, Manchester): Sir, if I may be allowed to describe my small effort here, to-day as the first shot that is being fired from a newly-made gun that is likely to boom in the future, you will perhaps extend to me your indulgence if during my very brief remarks I keep rather closely to my somewhat copious notes. I have very little to add to the Lancashire case that has already been so very ably stated, except possibly to mention a few facts that may or may not be known.

The bleaching, calico printing, dyeing and finishing trades are entirely dependent upon loom production in this country for their supply ; out of the total production 80 per cent. is for the export trade. Out of the total export trade 25 to 30 per cent. goes to India, so we can readily see how much the industries mentioned are dependent upon the Indian market. At the present time

we are all seriously concerned in trying to reduce costs of production so that we can again maintain our position in the world's market. This increase of tariff is most unjust and will be a serious handicap in our efforts to maintain our trade with India. Now let us look at this question from our customer's point of view, because the Indian consumer is our eventual customer. Our industry is highly efficient, and this efficiency will be maintained. We deliver the best that can be produced in the goods we manufacture; we do not wish to bolster up any inferior article. Surely it cannot be claimed that it is to the advantage of the Indian consumer that a tariff should be placed on our goods which will increase the cost to him and thereby reduce his buying capacity. We question if public opinion in India is in favour of this increased tariff. The Government of India Bill is essentially experimental. Extensions will be made after the first five years, and after a period of ten years the whole situation will come under survey by a Parliamentary Commission in order that the machinery may be readjusted. At a later period this enquiry will be resumed, and it may take about forty years before India is on a satisfactory representative basis. The system of government has only just been inaugurated, and we contend that its decision to raise the import duties to 11 per cent. could not have been done under the Constitution-making measure of 1919, and therefore that this increased tariff is not a demand by the people of India. The character of the franchise is open to consideration. The vote is now given to 5,179,000 males over the age of 20, out of a total eligible population of 60,182,000. The total population for the area affected by the Act is aproximately 222,000,000. Can it be claimed that it is in the imperial interests that 5,000,000 people out of a total population of 222,000,000 should have at their mercy such an important section of the export trade of this country, and should have the power, in the interests of Indian mill owners, to increase tariffs on goods required by the large population? We submit that constitutionally the British Government has still full charge of finance. The British Government can refuse to sanction fiscal arrangements made by the Government of India pending the establishment of the central and local legislations on a basis of popular enfranchisement. We claim that the increased tariff is contrary to the well-being of the vast Indian population, as well as a serious danger to the Lancashire cotton trade, and we ask for a decision that the British Government should act in accordance with its past traditions.

Mr. W. C. Robinson (United Textile Factory Workers' Association, Accrington) : Mr. Montagu and Gentlemen, in 1917 I had the opportunity of coming to speak, as representing the operatives, to Mr. Chamberlain. I want you to understand that it is not often that the employers and the operatives are together upon one deputation ; but on this occasion we, as representing the operatives, are in entire agreement with the action which has been taken in creating such a deputation as you have here to-day. Speaking on behalf of almost half a million operatives, I agree very largely with what Mr. Garnett said—that you cannot judge the sufferings of Lancashire, once the cotton trade is hit, simply by the number of people engaged in the cotton trade. First of all, take the railways. Directly you get your mills stopped or running short time you find that railwaymen have got to be dismissed or in many cases work short time. Then you come to the mines, and you come to the subsidiary trades, and every one of them is affected by anything that you may do in the direction of injuring the cotton trade. I agree with what Mr. Smethurst and Mr. Garnett said ; all that we want is fair play. We want equality and, whatever depressions we have to go through or whatever success may come, we are quite prepared in Lancashire to share along with the employers any position that is taken up. I recollect when I was here in 1917 that Mr. Chamberlain made very great reference to the imposing of that duty because of the war emergency. I want to say here that on that occasion I thought it was a weak position to take up to try to make a comparison between what England had done in that great war and what Lancashire had done in that great war. I want to say here distinctly that both in men and in money nobody did better than Lancashire. Now we come to-day to the question of revenue. In this country you have been seeking revenue for the great war that we have had. How did you get your revenue ? You started with an excess profits duty, and the employers have had to pay. If they want to raise any revenue in India why do not they institute an excess profits duty there ? That is one of the ways they can get the revenue there. A countervailing excise is most important if you are going to disabuse our minds with regard to protection. I want to say that so far as the cotton trade is concerned I have been officially connected with it since 1878. I have never been out of an official position from that date to this. Never do I recollect the cotton trade of Lancashire being in such a condition, and I am bound to say here that, had it not been for the efforts of the

employers at the beginning of the war, when times were so bad, in making a levy themselves and creating a fund, there would have been worse distress in Lancashire to-day than does exist. We have already received from the amount of money that was then invested somewhere near 600,000*l*. That money is being distributed amongst the 200,000 operatives who are without work in Lancashire. I want to tell you, Sir, that a great many of those operatives answered to the call of duty in 1914, 1915, 1916, 1917 and 1918, who, since demobilisation, have never been able to do an hour's work since they came back. That is a serious position for us who represent these operatives in Lancashire. I am here to say that, so far as this matter is concerned, we ask for no favours. We are prepared to work along with the employers upon this matter, and I share the last statement of Mr. Smethurst when he said that if this matter has got to continue we do not know where it is going to end. We do not know whether this is the last duty that is going to be put on and what is going to happen. We say that, while India is a part of this Empire, Lancashire is also a part of this Empire, and there ought to be justice given to both sides. I appeal to you in the name, I think I may say, of nearly half a million members of our Union, to do whatever you can in trying to bring about something which will give us greater justice in Lancashire than it is receiving to-day. To-day Lancashire's trade is appalling, and we, who have got to hand out this money week by week, recognise to some extent the distress in Lancashire, but there is not one of us that knows the distress that is going on in Lancashire. The imposition of this duty is not going to help our markets; it is not going to help us to get back to a satisfactory state of trade, but rather to handicap us in being able to start our looms again. I do not want to take up more of your time, because I think the ground has been fairly well covered, but I do assure you, as far as the operatives are concerned, that we are with the employers in this protest; we are with the employers in this appeal to you that you will do something to give us greater justice than seems to have been given to us up to the present time. (Cheers.)

Mr. William Thomasson (United Textile Factory Workers' Association, Accrington): Mr. Montagu and Gentlemen, during the war the Lancashire cotton trade was left practically to itself. It did not matter to anyone whether the spindles or looms were running or stopped. It was not essential for the winning of the war, and there-

fore we had to carry on as best we possibly could. The result was that there was a great deal of stoppage in the trade; people were out of work, and means had to be found to give them sustenance. The employers and the operatives got together, and they agreed upon a certain fund being established to provide means wherewith to find these people a livelihood. That is an evidence of what can be done in Lancashire when they try. The employers and operatives are united again in opposing this particular import duty on cotton goods. We intend to see this thing through to the end. In Lancashire the number of members of our Association, the United Textile Factory Workers' Association, is something like 400,000. They and their dependents, in conjunction with all the other trades allied to the textile trades, are dependent absolutely upon the cotton trade. Anything which hits the cotton trade hits Lancashire very badly indeed, and Lancashire will put up a fight against anything of that sort right to the very end. At the present time we have something like 70 per cent. of people in the industry who are either unemployed or only partially employed. The fund that I speak of that was raised during the war is now being placed at the disposal of the people who are working short time or who are unemployed. When I tell you that something like 60,000*l.* a week has been distributed for the last ten weeks among some of these people, it will give you some idea of the amount of unemployment current in Lancashire at the present time. This week we are expecting that amount to be doubled; it is very likely that from 100,000*l.* to 120,000*l.* will have to be paid out of that fund this week. It is said that this import duty that is to be imposed is for the purpose of benefiting the revenue in India. I wonder if the people of India have ever been consulted as to how the revenue should be raised. As has been pointed out, those are the people who will have to find the revenue, and not only the revenue, but they are the people who will have to find the corresponding increase that the Indian manufacturers will put on to meet the revenue, which will go into their pockets. The Indian consumers, who are, as in this country, practically the whole of the working population or the majority of them, will have to find this money. We know that they are not well paid at the present time; consequently, they will be able to purchase less goods, and less goods means less trade in Lancashire and more unemployment. Such a duty could not have been imposed upon the trade at a worse time than the present, when unemployment is so rife. If you had been

trying to hit us a blow you could not have hit us a more severe blow under any circumstances. We are determined to see this thing through and see that justice is done to the trade of Lancashire.

Mr. Joseph Cross (United Textile Factory Workers' Association, Accrington) : Mr. Montagu, you have heard fairly able statements made in regard to the position of the Lancashire cotton trade in comparison with the Bombay cotton industry. At the present time, and for some six months past now, we have been suffering under one of the worst depressions that the cotton trade has known for some half a century. At the back end of last year there was something like 40,000 weavers, winders and warpers out of work; at the present time there is something near 120,000 out of work ; and there are thousands and tens of thousands who are working short time and not fully employed on the full complement of machinery at that. (Hear, hear.) Personally I entirely agree and associate myself with the observation made to the effect that we wish the best of good luck to the Bombay cotton industry, provided, of course, it will give us a fair field and no favour. Very likely, Mr. Montagu, you have had in your mind, or the Legislature of India have had in their mind, the uncertainties of the temperament of the Indian population. I should like to say that it would not be wise for you to ignore the uncertainties of the temperament of the Lancashire workpeople at the present time. (Hear, hear) We are sitting on the safety valve, and I am not quite sure whether that would be a very good posture to continue. It may perhaps be a wrong conclusion, but we can only come to conclusions from what we can understand so far as our knowledge of politics goes. We think that our industrial welfare and our livelihood have been sacrificed to political purposes in India, combined with the financial interests in India representing the Bombay mill-owners. Some time ago it was common gossip in Lancashire that our employers were responsible for the bad trade and that they were doing it deliberately for the purpose of bringing about an industrial crisis. That idea only indicates to everybody who is trying to watch events that there is a nasty feeling underneath the situation at the present time. All is not well with the temperament and the loyalty of the Lancashire cotton operatives. It has been really a good job that we had some money to fall back upon; otherwise you would not have been able to keep them satisfied and contented. Imagine, Mr. Montagu, being out of work for six weeks or

six months, and nothing coming into the house at all beyond what you could get out of an odd half-sovereign or perhaps 15s. or 16s. If you appreciate that you can understand the temperament and the outlook of the person or persons under those circumstances. There are not hundreds, but thousands and tens of thousands that have been affected like that this last four or six months, and can you expect us to view with equanimity another obstacle placed against the possibilities of those people having a chance to earn their livelihood? That is what it means. This matter is more to us than to our employers so far as our livelihood is concerned and the present condition of the industry. If the cotton trade is wiped out we are wiped out entirely, but our employers can pick up their wealth and go elsewhere and live. We have nothing left; our labour is not wanted; there is nothing doing. Yet here at this present time, in order to assist and to help still further a rich trade which could afford to stand taxation another imposition is placed upon the Lancashire industry. That is most unfair treatment so far as our trade is concerned. We do not want anything from the Indian people that is not fair. We give the Indian people an open market here; we only ask for an open market in India. That is all we want. We do not want a shillings worth of protection; we do not want a pennyworth of protection. We do not want your help or the help of any other Ministers of the Crown to carry on our business. You give us a chance to carry on our business. You seem to be determined not to allow us to do it, or somebody is. If they can prevent us from being able to trade and carry on with our present methods of working and obtaining our livelihood they are going to do their best to prevent it. I have been pretty warm on this subject, and I cannot help it, because I am close to those who are suffering and have been suffering now for six months. They have never made a squeal, but they are running into debt, which means of course that when trade does come round it will take a cycle of employment of eighteen months possibly to pay off their debts; then bad trade will come round again and they will be back in the same position. You can quite understand, Mr. Montagu and gentlemen, that the Indian import duties question is a bread and butter question to us in Lancashire. It is a necessity for us to take an interest in it. We cannot possibly permit or allow any politicians to interfere to the extent of being able to take away from us our only way of being able to live, and that is what is happening to us. This import

duty is certain to be a retardation and prevent us from being able to get our trade going again, as it was in 1917 and in past years; it will have the very same effect. Just when things were on a balance, so that we might be able to turn round, the whole thing becomes unbalanced again by the imposition of this new 3½ per cent. duty against us, which means weeks and weeks before we can possibly get out of the slough of despond and depression we are in at the present time. It has been said that the profits of the Bombay mills have been 20, 40 and as high as 45 per cent. Nobody can put up a case to say that a trade in that position needs any protection or any help whatever—none whatever. (Hear, hear.) If the question had been left not to 5,000,000 people of India, but if it had been a question put before the working people of India, they would most certainly not have pushed it forward to the same extent as the Bombay mill-owners and the financial persons in India have done in this instance. I mean by that, Mr. Montagu, I do not think they would ever have done anything to throw us out of work or help to destroy our chance of gaining a livelihood, and that is what is happening to us at the present time, and what is likely to happen to us in the future. What guarantee are we going to have that somebody else will not have another dig at it? What guarantee have we? We cannot get a guarantee. The pledge we got before has never been fulfilled—Ministers of the Crown are included in that. They gave us a definite promise in the House of Commons that, before they would proceed to do anything which was detrimental to and which would be a handicap or obstacle to the cotton trade of Lancashire they would see that full enquiries were made. They said: "We will see that you know something about the difficulties that present themselves to us and present themselves to the financial agencies of India." They have never done it. I hope we shall not get any promises to-day unless they are kept—I hope so. I am only speaking as a Lancashire operative feels, and what has been said about what they will do when the opportunity comes round they will do. We will try and help to put those people in power that will do something to help us to earn our livelihoods. It cannot possibly be any good to us to have rulers who sacrifice us here in Lancashire for the purpose of something that may happen somewhere else. We are all subjects of one Empire and we are entitled to be considered from the fair point of view of level

justice by those who have to administer the law and keep the Empire in law and order. I do not know, from what has been said and from enquiries that have been made, what can be said to us to-day more than the fact that the duty has been imposed. I have asked questions, but I cannot get any reply other than this, that it has come to stay, because the Secretary of State for India has no longer the authority to deal with any legislation that is passed by the new Government of India. If that is so, it only makes the case against those who gave the promise in 1917 so much the worse. They ought to have told us about it before springing it on us and before dealing with it as they have done. I do not want to detain the meeting any further, but I can assure you of this, Mr. Montagu, that the matter is one of the deepest, keenest and widest interest so far as the workpeople of Lancashire are concerned and the other workpeople to whom the industry is of the greatest moment—that is all the railwaymen and other men who number something like 4,000,000 or 5,000,000 of the population—no small number.

Sir William Barton: Those are all our speakers, Mr. Montagu, and that is the case.

Mr. Montagu: It is my duty first of all to say how much I welcome, on behalf of my colleagues of the India Council and myself, who are jointly responsible for this matter, your kindness in coming here to-day to put us in full possession of your views, and to assure you that we do not lack appreciation of the great power and interests that you represent, and the importance of those interests to the well-being of the Empire. I wish I could find myself in complete agreement—I will not say with your arguments, because with many of your arguments I find myself in profound agreement—but with the conclusions that you come to from those arguments; but if you have the patience to listen to me I will try and convince you of the merits of the case which I am here to represent to you. When I have finished the Vice-President of the Council of India, Sir Charles Bayley, who was Lieutenant-Governor of Bihar and Orissa at the end of a very long career in India, will I think be in a better position than I am to say something to you about the comments that have been made on Indian opinion.

In the speeches that have been made your spokesmen have shown so intimate a knowledge of the history of this affair that I am spared the necessity of going over

even the rough outlines of fifty years of controversy, and I need not even refer to the deputation received by my predecessor in this room, which has been so much quoted, in defence of the same policy as that which is being pursued to-day, because you are familiar with all that was then said. Although I might quote large portions of it to justify the position to-day, I do not think you want convincing that there has been in this new Budget no change of policy, no adoption of any new policy, and that it will be more profitable to devote our attention to showing the very great change that has occurred in the circumstances.

In the first place, I want to dispose (because I have got to answer on this occasion not only the arguments that have been used in this room, but the arguments that have been used on your behalf outside this room) of the impression that seems to be abroad that the Government of India have taken the first chance of a new found liberty to pay off an old score and to impose a duty with the main object of protecting Indian cotton goods and of injuring the Lancashire trade; that they are not to be believed when they say that their object was revenue, and that the revenue required could have been raised in many other ways without injuring the interests that you represent; or should, even if it could not have been raised in another way, have been balanced by a corresponding increase in the excise duty.

Now let me put the facts before you. I do not want to deny—let me say that in order to save argument—because it would be useless for me to deny, that these duties are protective. A child would know that. What I am concerned to try and prove is that the future fiscal policy of India has not been settled, but that during the period which must elapse before a settlement it became imperative to impose new taxation, and that that new taxation does happen to be protective in its incidence. After the most careful efforts and the most anxious scrutiny of their expenditure in order to achieve every possible economy, the expenditure for the coming year is estimated by the Government of India at 129 crores of rupees, and the total revenue available to meet this on the old basis of taxation is 110½ crores, leaving a deficit of 18½ crores of rupees, which perhaps you will allow me to translate in terms of normality of exchange as 18,000,000*l*

I will not weary you with the causes of this deficit, but I ask you to take it from me that there are four main

causes: first the all-round increase of salaries, both civil and military, due to the rise in prices and the consequent higher cost of living; secondly, the fall in the exchange; thirdly, the trade slump—because the slump in trade, as is well known, is world-wide, and it has directly affected the Government revenue from income tax, from customs and from railways; and, fourthly, the very heavy military charges which have been involved of recent years, including those on the frontier now going on—for unfortunately India is not yet at peace. The largest individual item in the new Budget is the military charges. For some years before the war the annual expenditure from Indian revenues on this account was less than 30 crores. The estimate for this year is 62 crores out of a total expenditure of 129 crores, or very nearly 50 per cent. of the expenditure is military. Now this is the one estimate which they could have controlled. The Government of India could of course have cut down the military forces at their disposal and reduced military expenditure, but I am here to assure you that the estimated expenditure of 129 crores, which includes that figure for defence, is the very lowest which the Government of India can accept if they are to be in a position to fulfil the responsibilities which they owe to India and to Parliament for the peace and the good government of that country. Therefore it is obvious that additional revenue of 18½ crores was necessary.

Now we turn to the other side of the picture. The Government of India have explored every source of revenue, not merely in the last few months or weeks for the framing of their Budget, but constantly during the latter years of the war. One of your speakers said: "Why not have an excess profits duty?" We had an excess profits duty in India, just as you have had in this country, the only difference being that in India the request for its removal, which has been so vociferous as to be irresistible in this country, triumphed a little bit earlier in India; but we had an excess profit duty.

Now what are the possible sources of revenue available? One of the effects of the Government of India Act of 1919 is to divide the revenues of India between the local Governments and the Government of India. In former days the Government of India made grants to the Provinces; now the Provinces, which are in charge of such important services as education and local self-

Government, have their own sources of revenue; and one of the most important, land revenue, which is the backbone of Indian finance, has been allotted to the Provinces. Therefore the only real sources of revenue open to the Government of India were opium, salt, income tax and super-tax, customs, posts and telegraphs, railways and contributions from the Provincial Governments. Well, the contributions from the Provincial Governments are fixed by Statute, and there is no money available from them. With regard to the railways, the Government of India have in this Budget imposed a very large tax which is going to produce 5½ crores of revenue on the railway receipts. As regards opium, it is a vanishing source of revenue which nobody in this room, I think, would ask should be relied upon in the future for purposes of this kind. As regards salt, a tax on salt, as you all know, does directly touch the pockets of the very poorest people in India, and every Government has been reluctant to touch it. The steady policy of reduction had reduced the taxation on salt before the war to one rupee a maund; during the war it was increased to 1 rupee 4 annas; but I do not believe any Government would welcome or suggest any increase in the salt tax to-day. As regards postal rates, large increases are proposed in the Budget; and as regards income tax the super-tax has now been raised to a maximum of 4 annas in the rupee, and there has been an increase in the maximum rate of income tax of 25 per cent. The revenue derived from income tax before the war was 3 crores. It is now to be 20 crores, and, in addition to that, fresh revenue this year of 3½ crores is to be derived from the income tax. I give you these figures to show that it has not only been from the Customs that India seeks its new revenue; indeed I have already shown you that over 10 crores is to be got from other sources, and there remains no source to make the balance good from, except customs.

Now when we come to customs, again they have not singled out cotton. There is to be a general rise in the whole customs duties, right away through the gamut of them, from 7½ per cent. to 11 per cent., with a special rate on luxuries which goes up to 20 per cent. I do not think you want better proof of the fact that we are seeking revenue and not protection when I tell you that the Budget includes a withdrawal of the concession hitherto allowed on machinery for the cotton mills.

Now those facts, I think, will show you that you are here to complain to-day of a very small proportion of the

Indian Budget, that you are here to-day to complain of something which produces, I think, $\frac{1}{15}$ of the total increase, and that what you really are asking is either that cotton should be left out of the general increase of customs which it has been absolutely necessary to impose, or, in the alternative, that a corresponding excise should be put upon cotton (hear, hear) whereas it is not put on any other of the goods on which there is going to be an increased customs duty.

Mr. Smethurst: What other competing trade is there?

Mr. Montagu: What other competing trade? I will quote from memory: wool, sugar, tobacco, I think silks, and steel manufactures. But we will not quarrel over that, because I admit that cotton is much the most important of the lot; there is no doubt about that. (Hear, hear.) The only point is that it is only about that we ever hear this question raised.

I do not want this afternoon to argue the case on economic grounds. There are, I presume, in this room some people who are, like myself, stalwart believers in the principle of free trade. (Hear, hear.) There are in this country, as is well known, stalwart believers in the economic principle which is called protection. I have never met any Indian, with the rarest possible exceptions, who believes in any doctrine but protection. They believe, as so many of our Colonial fellow-subjects believe, that protection is the best solution. Now if you are arguing on economic grounds and you are a free trader I quite agree that you can show every reason why protective tariffs for India are unwise. If you are a protectionist advocating in this country protective tariffs for our industries I think you would find yourselves in a dialectical dilemma if you were to try and explain to the Indians why protection is bad for them. If I were arguing on the economic ground it would have been necessary for me to deal with the arguments I have seen in the newspapers about the lighter taxation on cotton mills, about the lower cost of their labour, and about the bad conditions in their factories, and to explore how the real taxation upon Indian industry compares with the taxation upon the Lancashire industry. I would have to quote to you the comments made by the Government of India on the arguments addressed to Mr. Chamberlain in the deputation of 1917. You have not dealt with those matters to-day, and it is not necessary for me, therefore, to deal with them in my reply, except to

say this, that it may be news to some of you that the Government of Bombay has imposed an import duty upon raw cotton coming into Bombay for the purpose of financing a scheme which will mean better housing for the cotton operatives, and that as a result of the Labour Convention at Washington and also as a consequence of certain labour troubles in India, there are being achieved enormous improvements, I am glad to think, in the conditions of labour in that country. But if you will admit with me that there was an absolute necessity for new revenue, and that that revenue could only be obtained from an increase in customs duties, I think I need only detain you while I explain to you the constitutional position.

Gentlemen, what has been said in this room this afternoon is quite true. It would have been possible for me, acting with my colleagues in the Council of India, to have forbidden the introduction of these Budget proposals, and it would possible for me to veto the Bill in which these duties are contained when, after it has been passed by the Legislature in India, it comes home for sanction. That is the legal position; that is the theoretical position. Actually it is, I would submit, absolutely impossible. In the first place, I cannot veto part of a Bill; I must veto the whole Bill; and I should therefore leave the Government of India with absolutely none of their increased revenue to meet their increased charges. In the second place, supposing when the Budget came home originally for sanction I had refused leave to introduce it, what would have happened? The Government of India would have had to propose to their Legislative Assembly duties upon cotton coupled with a corresponding excise. That Legislative Assembly contains an everwhelming majority of members fresh from the constituencies upon whose vote the issue would be decided. I do not hesitate to say as a mere hypothesis and prophecy that there would not be one single member of that elected majority that would have voted for an excise duty upon cotton goods. They do not believe in it. They are protectionists; they prefer to get their revenue from protection; and the consequence would have been that your Bill would have been defeated in the Legislative Assembly. It is quite true that there is a provision in the Statute which enables the Governor-General to insist upon a tax, although it is denied him by the Legislative Assembly, if he can certify that it "is essential for the safety, tranquility or interests of

British India." It would be straining a very real power which may have to be used, and it would be blunting the weapon that you possess in your hands if you were to ask the Governor-General to certify that the passage of an excise duty on cotton was "essential for the safety, tranquility and interests of British India." So that even if I had tried to insist upon an excise, knowing that no part of public opinion in India was in favour of such an excise, it would not have been effective.

Now it is constantly said in argument that these taxes have been imposed for the benefit of Bombay mill owners and only for them. If you read the accounts of the debates in the Legislative Assembly on these very taxes you will find that the proposals of the Bombay mill owners were negatived by the free vote of the Legislative Assembly in India. They wanted to remove from the free list yarns and twists, in order to deal a blow at the hand-loom industry. That was negatived. Then a proposal was made to increase the duty that you take such a strong exception to from 11 per cent. to 12½ per cent. I want to read the telegram which records the arguments that were used. The people who proposed that increase in the Legislative Assembly were the non-official European members from Bombay, and it is suggested to me in the telegram that one of the reasons it was done was in order to give an answer to Manchester agitation. "The final amendment taken up was one moved by European non-official members from Bombay that the general *ad valorem* tariff be raised from 11 to 12½ per cent. This was supported by all other Bombay members and by a few others. Avowed reasons for proposal were uncertainty regarding exchange outlook and consequent desirability of giving Government a margin of revenue. Real reason, as House fully appreciated, was, of course, desire to benefit Indian industries still further and also perhaps as a counterblast to Manchester agitation. Amendment was, however, opposed by a majority of members on the grounds that deficit has been made up by taxation already voted, and that, seeing that financial necessities were no longer paramount, interests of consumers should have first consideration, and further that it was not justifiable to engage in a measure of protection for other than revenue producing purposes in advance of fiscal commission. Amendment was opposed also by Finance Member as being unnecessary, and was defeated by a large majority." I only give you that to show the sincerity of

the plea which I advance, which is (1) that the fiscal arrangements of India are not wholly in the hands of the Bombay mill owners, and (2) that not only the Government but the members of the Legislative Assembly were not doing this with a view to introducing a new protective system, but were doing it to raise revenue, and were content when they had raised the revenue required.

Now the last point that I want to draw your attention to is this. You, gentlemen, have quoted to me from one part of the room after another what happened in 1917; but I venture with great respect to point out to you that you have omitted the equally important events of 1919. This whole question was dealt with in 1919 when the Government of India Bill was under discussion. At the Joint-Committee of both Houses which sat upon that Bill one of the members of the Committee moved an amendment to the Bill, that there should be no interference with any fiscal measure proposed by the Government of India. This was rejected on the ground that it was constitutionally impossible. The Joint-Committee reported on this matter to both Houses of Parliament, and the Joint-Committee's Report is so important that I venture, although it must be familiar to you, to read it to you again. "The Committee have given most careful consideration"—this was what Lord Selborne's Committee said—"to the relations of the Secretary of State with the Government of India, and through it with the provincial Governments. In the relations of the Secretary of State with the Governor-General in Council the Committee are not of opinion that any statutory change can be made, so long as the Governor-General remains responsible to Parliament; but in practice the conventions which now govern these relations may wisely be modified to meet fresh circumstances caused by the creation of a Legislative Assembly with a large elected majority. In the exercise of his responsibility to Parliament, which he cannot delegate to anyone else, the Secretary of State may reasonably consider that only in exceptional circumstances should he be called upon to intervene in matters of purely Indian interest where the Government and the Legislature of India are in agreement. This examination of the general proposition leads inevitably to the consideration of one special case of non-intervention. Nothing is more likely to endanger the good relations between India and Great Britain than a belief that India's fiscal policy is dictated from Whitehall in the interests of the trade of Great Britain. That such a belief exists

at the moment there can be no doubt. That there ought to be no room for it in the future is equally clear. India's position in the Imperial Conference opened the door to negotiation between India and the rest of the Empire, but negotiation without power to legislate is likely to remain ineffective. A satisfactory solution of the question can only be guaranteed by the grant of liberty to the Government of India to devise those tariff arrangements which seem best fitted to India's needs as an integral portion of the British Empire. It cannot be guaranteed by Statute without limiting the ultimate power of Parliament to control the administration of India, and without limiting the power of veto which rests in the Crown ; and neither of these limitations finds a place in any of the Statutes in the British Empire. It can only therefore be assured by an acknowledgment of a convention. Whatever be the right fiscal policy for India, for the needs of her consumers as well as for her manufacturers, it is quite clear that she should have the same liberty to consider her interests as Great Britain, Australia, New Zealand, Canada and South Africa. In the opinion of the Committee, therefore, the Secretary of State should as far as possible avoid interference on this subject when the Government of India and its Legislature are in agreement, and they think that his intervention, when it does take place, should be limited to safeguarding the international obligations of the Empire or any fiscal arrangements within the Empire to which His Majesty's Government is a party."

Now these are very strong words which, except for some timely warning by my honourable friend the Member for Oldham, almost passed unchallenged in the House of Commons, but when the Bill came for third reading to the House of Lords, Lord Curzon, speaking on behalf of His Majesty's Government, pointed out the great change which had been instituted in these matters by what amounted to the grant of fiscal autonomy to India. I will read you his words if you like, but I am sure they must be familiar to most of you. and I do not want to waste your time. I can paraphrase them in the words of one of the speakers this afternoon ; the people of India are plain humble people and they regard a promise as a promise; and, after that Report by an authoritative Committee of both Houses and Lord Curzon's promise in the House of Lords, it was absoutely impossible for me to interfere with the right—which I believe was wisely given and which I am determined to maintain—to give to the Govern-

ment of India—the right to consider the interests of India first, just as we, without any complaint from any other parts of the Empire, and the other parts of the Empire without any complaint from us, have always chosen the tariff arrangements which they think best fitted for their needs, thinking of their own citizens first. Nothing could be worse for what I have set my heart upon—India as a willing contented partner in the British Empire—nothing could be worse from that point of view than to promise her through the mouth of Parliament these rights and liberties, and then, when they are only accidentally applied, because of the sudden need for revenue which was never foreseen before the fall in the exchange took place suddenly, to say : "We made a mistake in giving you this right ; we are now going to do the very thing that we said we would not do—interfere with your fiscal arrangements for the benefit of British trade."

I really am astonished to hear, if they will forgive me saying so, the arguments of the representatives of labour. The Labour Party it is quite true gave valuable support to the passage of the Bill with all it contained, but they always protested that they took it because they could not get anything better—that they wanted more liberty for India, that the time had come to concede to her if not complete self-government something very near it. Now when, despite the limitations of the Bill, you concede to her the right to mould her own fiscal destinies, a section of the Labour Party feels that those rights and liberties which she has achieved are even too large for the well-being of the interests that they are here to represent to-day. Gentlemen, you are quite right when you say that British trade can prosper best by the prosperity of her markets. I am perfectly convinced that British trade cannot prosper in India except by the goodwill of India. I believe, therefore, that this striking demonstration (because it is a striking demonstration at a time when I fully admit the great difficulties of British trade ; that makes it all the more striking)—that we should stand by our word and let India have her own fiscal way, because of the well being that it will promote between India and the home country, will result in a greater trade between the countries and not in a lesser trade. At the present moment the Government of India is pledged to institute in India a Tariff Commission. It is on the basis of that Commission that what is going to be the real future fiscal policy of India will be decided. I tell you that I think it will be protective, because I think that India,

official and non-official, Indians and English, is nearly wholly in favour of protection. But the Commission will be the body responsible for advising as to the decision.

May I say, in conclusion, that I do hope that in the fiscal system ultimately adopted, India will of her own free will, after carefully exploring how it can best be done, give to the British Empire a preference in her markets, I hope for that, not because I am a believer in the material advantages of Imperial preference so much as because I should like India to demonstrate to the world her solidarity within the British Empire. I should like to see her of her own free will use the fiscal liberty that we have given her to take her stand in the system that has been adopted by Australia, New Zealand, Canada, South Africa, and, in the last few years, by Great Britain, and also, incidentally, because a preference will lower the taxation upon the consumer. But, gentlemen, it would be one of the most profound mistakes of Imperial statesmanship, to my mind, to use your statutory powers to force an Imperial preference upon India.

That is why I regret that my short answer to this deputation must be that, so far as I am concerned, I see no other course but to let things stand as they are, to let India have the fiscal liberty that she was promised in 1919, to assure you that she has in this instance only used it to secure, by the only way open to her, in accordance with the principles in which she believes, the revenues which were absolutely necessary; to hope that, by give and take, by the interchange of views which must take place between free parts of the same Empire, arrangements will be arrived at voluntarily to the satisfaction of both parties. I have received a message from the Lancashire Members of the House of Commons that they were of opinion that it would be a good thing for a deputation to go to India to discuss the situation with the Government of India and the members of the Legislative Assembly. I at once forwarded that resolution to the Government of India. I have not yet had a reply, but I do think, speaking for myself, that on a suitable occasion it would be a good thing if you could sit down and talk to the people in whose custody this matter is, under the leadership of their Government, explain your point of view and see if you cannot arrive at some arrangement of mutual advantage, based on the recognition that it is in India's power, under the solemn pledge which has been given her, to devise her own tariffs when

she is under the regrettable necessity of raising revenue for her own and, indeed, Imperial needs—because the defence of India is incidentally the defence of the Empire.

Gentlemen, I am sorry that we have not been in closer agreement. I have spoken to you very frankly, as you have spoken to me. We are really acting with regard to India much as we do with regard to any other part of the Empire. I believe that is the principle of freedom which is very dear to the people of Lancashire, and for which they have fought so much in the past, and which I do not believe they will deny to the people of India. It is quite true that the electorate in India is a very limited one—I quite agree, but it is vast compared to any electorate that there has ever been before, and, having got the most representative Assembly you can, you may trust to the electorate which elects that Assembly to see that its action is in harmony with the wishes of the electorate. I think you will find there will be no doubt about that whatever when, as I hope you will allow me to do, I send you the Indian newspapers which contain comments upon the arguments that have been raised at this deputation.

Gentlemen, I hope you will listen now to a few words from Sir Charles Bayley on the same subject.

Sir Charles Bayley: I do not want to detain you for more than a moment, but I think it is only right, as Mr. Montagu has spoken about the joint responsibility of himself and his colleagues on the Council in this matter, that I should make it perfectly clear that this Council, of which I have the honour to be Vice-President, are in absolute accord with him in the line he has taken in this matter. You will perhaps understand why it is if I go into it a little more personally. Nearly forty-four years ago, when I first went to India, the question of the cotton duties was a burning one. It was burning with particular ferocity at that particular moment, because it so happened that the Viceroy had had occasion to use the extraordinary power committed to him to overrule his Council, although it was unanimous, on this particular question of the cotton duties. I was a very unimportant person in those days, and I do not know the secret history of the case at all, but there is one thing I do know. It was popularly believed over the whole of India that the Viceroy, in exercising that power, had exercised it at the bidding of His Majesty's Government at home, and that His Majesty's Government

at home had given that order because they were afraid of the Lancashire vote. I do not say whether it was or whether it was not so, but that is the only time that power has been exercised. When I got to India I found there was a considerable blaze of public opinion on that point. Thirty-eight years later when I left India the thing was still burning, and I am sorry to say I can never remember any time while I was in India when it was not either burning or smouldering to a very considerable extent.

It was suggested just now that it was difficult to get an idea of what public opinion was in India. Well, it is exceedingly difficult. It is very difficult to get at the public opinion of 300,000,000 people, the great majority of whom cannot read and write. They have their opinions, but they cannot put them down very often. But is it easy to get hold of any public opinion? Is it possible to get hold of the real public opinion of a good many people in England? I personally doubt it very much. What you can go by and the only thing you can go by is such expressions as are given to that opinion. Now there is no point, I think, on which opinion has been so unanimous—I do not say rightly—in India, both the opinion of Europeans and the opinion of all Indians who are sufficiently educated to express an opinion at all, as on the point that India has been badly treated in the matter of these cotton duties. I do not for one moment say whether India has or has not been badly treated—that is not a matter for me to argue—or whether Manchester has in any way fairly benefited at the expense of India. All I am concerned with—and I assert it with the fullest knowledge—is that that opinion exists. I do not think in those circumstances that it would have been possible for any Government to ignore that opinion when dealing with this question. Consequently when the Government found itself faced with a very heavy deficit it had to consider naturally, as Mr. Montagu has told you, the best way of dealing with it. It put as much of it on to other things as it could, but it was inevitable that the customs duties should meet a very large portion of it at any rate; and I think that anybody who really knows the working of the political machine, or is acquainted in any way with the feelings of India, must realise that it was inevitable that the cotton duties could not be left untouched when other customs had to bear their share. It is for those reasons, Gentlemen, I think I may safely say, that the Council which I have

the honour of representing at the present moment agreed fully with—and are fully in agreement with—the course which has been taken by the Government of India, and the Secretary of State. I only want to make that clear.

Sir William Barton: Mr. Montagu, I now rise to move that the best thanks of the deputation be given to you for your presence this afternoon, for your patient hearing and for your exhaustive speech. I do not pretend for a moment to say that it has given us any comfort. I think we all rather feel that there is still a big gulf which you have not bridged as between 1917 and the pledges then and 1921 and the position to-day. I think that the India Office stands condemned, but this is not perhaps the right moment to discuss that. I am here now to move that the heartiest thanks of this deputation be given to you for your presence, for your careful hearing of our case, and for your most exhaustive speech.

Mr. Tom Shaw: I have the greatest possible pleasure in seconding the resolution. The reply has been most unsatisfactory. Its contents are extremely disappointing to us, but there can be no doubt of the fact that we all esteem very highly the great frankness and the absolutely honest expression of the Secretary of State for India. That I think is common to us all. If I may be permitted one remark on the business of this afternoon, may I express my regret that the Secretary of State for India has not seen that it is quite possible to make friendly representations to the Government of India on this matter? Nobody has suggested that he would veto what the Government of India has done, but there is a possibility surely of making friendly representations to a newly formed Government and of pointing out that here in this country there are, I should think, fully 200,000 people unemployed, and that this policy is likely to injure them. Friendly representations might make a very considerable difference in the position. I merely make that suggestion as a thing I think we have a right to expect from you, Sir. India has to be considered, obviously—that is the business of the Secretary of State for India—but a little consideration for us and a friendly approach—not a dominating approach, but a friendly approach—might make a considerable difference, and give satisfaction and a better feeling to both sides. I have the greatest possible pleasure in seconding the resolution that our heartiest thanks be tendered to the Secretary of State for India and his colleagues.

The resolution was put to the deputation by Sir William Barton and carried with acclamation.

Mr. Montagu: Gentlemen, I sincerely thank you for your courtesy to me in the discharge of a most difficult and responsible duty. I am sorry that my reply has neither convinced you nor given you satisfaction. I regard myself—although I may have had to falsify the prophecies of Mr. Chamberlain in 1917—as having acted in accordance with the express wishes of Parliament. I have the satisfaction of knowing that Mr. Chamberlain, one of my colleagues, shares the responsibility and knew of the action I was taking. As regards what Mr. Shaw said, of course I will do all I can, for the sake of the Empire, to convey to India the views which has been so ably stated by the members of this Deputation who have addressed me. I cannot recede from the position that India is to be permitted to devise her own tariffs first in Indian interests. I cannot recede from the position that I believe this revenue was necessary, and could not have been obtained from any other source, and could not have been accompanied by an excise. But of course the strong arguments that have been addressed to me to-day by Lancashire on behalf of the trade at a moment when it is in very serious—although I hope and believe very temporary—difficulties will at once be communicated to the Government of India, will receive the widest dissemination in India, and will I hope have immediate effect, because they are, as Mr. Shaw said, friendly representations not made with the intention of denying the right of the Government of India. That of course I will do.

(*The Deputation then withdrew.*)

APPENDIX L-4.

CEYLON AND INDIAN TEAS IN AUSTRALIA.

No. 460-A. C.

Associated Chambers of Commerce,
of India and Ceylon, Royal Exchange,
Calcutta, 14th February 1921.

The Secretary, Chamber of Commerce,
Bombay.

Ceylon aud Indian Teas in Australia.

Dear Sir,—I am directed to invite an expression of the opinion of your Chamber on the proposal made in

the attached letter dated 9th February 1921 from the Ceylon Chamber of Commerce on this subject.—Yours faithfully,

H. M. HAYWOOD,
Secretary.

Ceylon Chamber of Commerce,
Colombo, 9th February 1921.

The Secretary,
Associated Chambers of Commerce
of India and Ceylon.

Ceylon and Indian Teas in Australia.

Dear Sir,—Early in the year information was received from Melbourne that the imports of Java Teas into Australia last year amounted to 20 million pounds, and that Java gardens were arranging for heavy consignments during the current year, in order to make every effort possible to oust Indian and Ceylon teas from the Australian market.

At the request of the Chamber, the Ceylon Government made representations to the Government of Australia asking that preferential treatment be given to Ceylon teas, and my Committee suggest that you should make similar representations through the Government of India, in order to secure preferential treatment for British grown teas, as had been granted in Great Britain and Canada.

Java is fortunately placed in regard to Australia, and freight and exchange give her a considerable advantage over Indian and Ceylon teas, and we trust that in the present difficulty of placing our teas on the markets of the world, our joint representations to the Government of Australia will meet with success.—Yours faithfully,

A. DUNCUM,
Secretary.

No. 468-97.

Chamber of Commerce,
Bombay, 1st March 1921.

The Secretary,
Associated Chambers of Commerce
of India and Ceylon, Royal Exchange,
Calcutta.

Dear Sir,—I am directed to acknowledge receipt of your letter, No. 460-A. C., dated the 14th February 1921,

and its accompaniments, and in reply to state that my Committee are in favour of the Associated Chambers taking action in regard to the matter in the manner suggested by the Ceylon Chamber.—Yours faithfully,

C. B. SAYER,
Secretary.

No. 576-A. C.

Associated Chambers of Commerce
of India and Ceylon, Royal Exchange,
Calcutta, 14th March 1921.

The Secretary, Chamber of Commerce,
Bombay.

Ceylon and Indian Tea in Australia.

Dear Sir,—Adverting to my No. 460-A. C., dated 14th February 1921, I am directed to hand you herewith, for any remarks or suggestions that your Chamber may have to offer, a copy of a letter No. 635, dated 11th March 1921, from the Bengal Chamber of Commerce (with enclosures), on this subject.—Yours faithfully,

H. M. HAYWOOD,
Secretary.

Letter No. 635-1921 dated 11th March 1921, from the Secretary, Bengal Chamber of Commerce, to the Secretary, the Associated Chambers of Commerce of India and Ceylon.

In reply to your No. 459-A. C. dated 14th February 1921, I am directed to hand you the attached copies of the marginally cited correspondence with the Indian Tea Association, on this subject. The Committee of this Chamber agree with the principle of preference but they think that the attention of the Chambers should be drawn to the views expressed by the Government of India.

(1) No. 307-0 dated 2nd March 1921 from the Indian Tea Association to the Bengal Chamber of Commerce with enclosed copy of a letter of 18th February to the Government of India, Department of Commerce.

(2) No. 360-0 dated 9th March from the Indian Tea Association to the Bengal Chamber of Commerce with enclosed copy of letter dated 3rd March from the Government of India, Department of Commerce.

Letter No. 360-0 dated 9th March 1921, from the Secretary, Indian Tea Association to the Secretary, Bengal Chamber of Commerce.

With reference to my letter No. 307-0 dated 2nd March I am directed to send you copies of a letter dated 3rd idem and of its enclosure, received from the Government of India, Department of Commerce, in reply to the Committee's representation to them in the above connection. I am to say that the papers will be discussed by the Committee at their next meeting.

Letter No. 1926 dated 3rd March 1921 from the Secretary to the Government of India Department of Commerce to the Secretary, Indian Tea Association.

I am directed to acknowledge the receipt or your letter No. 249-0 dated the 18th February 1921, in which your Association suggests that the Commonwealth Government should be approached with a request that a preferential rate of duty should be imposed on teas imported from India into Australia.

2. In reply, I am to say that negotiations could not be opened with the Commonwealth Government in the direction suggested by your Association unless the Government of India were prepared to reciprocate by offering equivalent preferential treatment to goods or selected goods imported from Australia into India. In other words the acceptance of the proposal of your Association would involve the adoption by the Government of India of the principle of Imperial Preference. In this connection I am to refer you to the reply given in the Legislative Assembly on the 1st March to a question asked by Mr. Jamnadas Dwarkadas. A copy is enclosed for ready reference. It will be seen that the appointment of a Fiscal Commission has been announced and that *inter alia* the question of the adhesion of India to a scheme of Imperial Preference will be examined by this Commission. Until the Commission has reported and until a decision on the question of policy has been reached, the Government of India feel that they are not at liberty to open negotiations with the Commonwealth Government.

3. I am to suggest that your Association should bring the question raised in your letter to the notice of the Fiscal Commission. It is hoped that it will sit early next cold weather.

LEGISLATIVE ASSEMBLY.

Reply by Mr. C. A. Innes to Mr. Jamnadas Dwarkadas' question on the subject of the Fiscal Commission.

With the approval of His Majesty's Secretary of State for India, the Government of India have decided to appoint a Fiscal Commission with the following terms of reference, "to examine with reference to all the interests concerned the Tariff policy of the Government of India, including the question of the desirability of adopting the principle of Imperial preference, and to make recommendations." The Government of India desire to take advantage of the Hon. Member's reference to the question of Imperial Preference to make their own attitude in regard to this subject clear. In the event of some scheme of Imperial Preference being found consistent with India's interests, the Government of India hope that India will not stand aloof from such a scheme, so that India's solicitude for the solidarity of the Empire may be established. But they propose to take no decision until the question has been examined by the Commission. If on the Report of that Commission, the principle is accepted, the principle can be given effect to only by legislation, and it will be for this Assembly to decide whether that legislation should be passed or not.

Letter No. 307-0 dated 2nd March 1921 from the Indian Tea Association.

I am directed to acknowledge the receipt of your letter No. 493-1921 dated 22nd February inviting an expression of opinion from this Association on a proposal made by the Ceylon Chamber of Commerce that the Government of Australia should be approached through the Government of India with a view to preferential treatment being given to Ceylon and Indian teas imported into the Commonwealth. I am to state that this Association supports the attitude of the Ceylon Chamber and have in point of fact already addressed the Government of India in a similar sense. A copy of their letter No. 249-0 dated 18th February to the Department of Commerce is enclosed for your information.

**Letter referred to:—*

I have the honour to refer to the marginally noted letter addressed to you on the subject of the Indian tea trade with Australia, and the extent to which Java tea has recently shown a tendency to displace British grown tea there. The Committee of this Association believes that if the Government of India were to represent the position to the Commonwealth Government, and were to explain to them the present serious condition of the tea industry of this country, they would probably see their way to introducing a preferential duty for British grown teas similar to that in existence at home. As the Tea Traders Association point out, the Government of Australia prohibited, for a time, the import of non-British grown teas, and it is believed that they would therefore be ready to move in the direction of a preferential duty if strongly pressed to do so. This would materially help both Indian and Ceylon teas against Java, which of course possesses a real advantage over them in the matter of proximity to the Australian market, and correspondingly lower freights.

*Letter No. 22-B. dated the 4th Febuary 1921 from the Calcutta Tea traders' Association to the Government of India, Department of Commerce.

No. 661-97

Chamber of Commerce,
Bombay, 30th March, 1921.

The Secretary,
The Associated Chambers of Commerce
of India & Ceylon, Royal Exchange, Calcutta.

Dear Sir,—I am directed to acknowledge receipt of your letter, No, 576-A. C., dated the 14th March 1921, and its accompaniments, upon the subject of the importation of Ceylon and Indian teas into Australia.

In reply I am to state that my Committee are of opinion that the reply of the Government of India will be the same whether a duty on imports from Japan into Bombay or concessions of the nature under reference are asked for. At the same time my Committee consider that the question might form the subject of a representation to Government from the Associated Chambers for the consideration, in due course, of the promised Fiscal Commission.—Yours faithfully,

C. B. SAYER,
Secretary.

APPENDIX L-5.

FISCAL AUTONOMY FOR INDIA.

Financial Department,
Secretariat, Fort, Bombay,
26th September 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed, by the Governor in Council, to forward for the information of the Chamber,..... a copy of the Resolution of the Government of India, Department of Commerce, No. 5268 dated the 29th August 1921.—I have etc.,

S. V. APTE,
For Deputy Secretary to the Government of Bombay.

No. 5268.

Government of India,
Department of Commerce,
Simla, the 29th August 1921.

TRADE AFTER THE WAR
(*Imperial Preference.*)

RESOLUTION.

The following papers are published for general information :—

I

Despatch to His Majesty's Secretary of State for India, No. 16 *dated the 21st April 1921, regarding fiscal autonomy.*

We have the honour to report for your information that a Resolution was passed in the Council of State on the 23rd February last in the following terms :—

"This Council recommends to the Governor General in Council that His Majesty's Government be addressed through the Secretary of State

with a prayer that the Government of India be granted full fiscal autonomy subject to the provisions of the Government of India Act."

2. The last ten words of this Resolution were substituted on the motion of our late colleague Sir George Barnes for the words "under the direction of the Indian Legislature" which appeared in the Resolution as moved by the Hon'ble Mr. Lalubhai Samaldas. We were unable to accept the Resolution in its original form as it proposed that in fiscal matters the Government of India should be subject only to the control of the Indian Legislature. We regarded this proposal as being inconsistent with the provisions of the Government of India Act. The Resolution as amended indicates the agreement of the Council of State with the views expressed on the subject of fiscal autonomy by the Joint Select Committee in its remarks on Clause 33 of the Government of India Bill. The Joint Committee pointed out that fiscal autonomy could not be guaranteed to India by statute without limiting the ultimate power of Parliament to control the administration of India and without limiting the power of veto which vests in the Crown. It took the view that fiscal autonomy could be assured to India only by the acknowledgment of a convention, and it expressed the opinion that, in order that a convention of this kind might grow up, the Secretary of State should, as far as possible, avoid interference when the Government of India and the Legislature were in agreement and that his intervention, when it did take place, should be limited to safeguarding the international obligations of the Empire or any fiscal arrangements within the Empire to which His Majesty's Government was a party.

3. We request that the Resolution may be laid before His Majesty's Government.

II

Despatch from His Majesty's Secretary of State for India, No. 70-Revenue, dated the 30th June 1921.

Resolution of the Council of State regarding fiscal autonomy.

I have received and noted on behalf of His Majesty's Government the Despatch of Your Excellency's Government, No. 16 (Department of Commerce), dated 21st April 1921, which communicated the Resolution passed in the Council of State on 23rd February 1921, recommending that His Majesty's

Government should be addressed with a prayer that the Government of India be granted full fiscal autonomy subject to the provisions of the Government of India Act.

2 In this connection I would refer to my reply to the deputation from Lancashire received at the India Office on 23rd March 1921, forwarded with my Despatch No. 44 (Revenue), dated the 21st April 1921, from which it will appear that I have on behalf of His Majesty's Government, accepted the principle recommended by the Joint Committee in their report on clause 33 of the Government of India Bill.

III

Extract from the reply of the Secretary of State to the deputation from Lancashire on the Indian Import Duties on Cotton Goods, received at the India Office on the 23rd March 1921.

Now the last point that I want to draw your attention to is this. You, gentlemen, have quoted to me from one part of the room after another what happened in 1917; but I venture with great respect to point out to you that you have omitted the equally important events of 1919. This whole question was dealt with in 1919 when the Government of India Bill was under discussion. At the Joint Committee of both Houses which sat upon that Bill one of the members of the Committee moved an amendment to the Bill, that there should be no interference with any fiscal measure proposed by the Government of India. This was rejected on the ground that it was constitutionally impossible. The Joint Committee reported on this matter to both Houses of Parliament, and the Joint Committee's Report is so important that I venture, although it must be familiar to you, to read it to you again. "The Committee have given most careful consideration"—this was what Lord Selborne's Committee said—"to the relations of the Secretary of State with the Government of India, and through it with the provincial Governments. In the relations of the Secretary of State with the Governor General in Council the Committee are not of opinion that any statutory change can be made, so long as the Governor-General remains responsible to Parliament; but in practice the conventions which now govern these relations may wisely be modified to meet fresh circumstances caused by the creation of a Legislative Assembly with a large elected majority. In the exercise of his responsibility to Parliament, which he cannot delegate to anyone else, the Secretary of State may reasonably consi-

der that only in exceptional circumstances should he be called upon to intervene in matters of purely Indian interest where the Government and the Legislature of India are in agreement. This examination of the general proposition leads inevitably to the consideration of one special case of non-intervention. Nothing is more likely to endanger the good relations between India and Great Britain than a belief that India's fiscal policy is dictated from Whitehall in the interests of the trade of Great Britain. That such a belief exists at the moment there can be no doubt. That there ought to be no room for it in the future is equally clear. India's position in the Imperial Conference opened the door to negotiation between India and the rest of the Empire, but negotiation without power to legislate is likely to remain ineffective. A satisfactory solution of the question can only be guaranteed by the grant of liberty to the Government of India to devise those tariff arrangements which seem best fitted to India's needs as an integral portion of the British Empire. It cannot be guaranteed by Statute without limiting the ultimate power of Parliament to control the administration of India, and without limiting the power of veto which vests in the Crown; and neither of these limitations finds a place in any of the Statutes in the British Empire. It can only therefore be assured by an acknowledgment of a convention. Whatever be the right fiscal policy for India, for the needs of her consumers as well as for her manufacturers, it is quite clear that she should have the same liberty to consider her interests as Great Britain, Australia, New Zealand, Canada and South Africa. In the opinion of the Committee, therefore, the Secretary of State should as far as possible avoid interference on this subject when the Government of India and its Legislature are in agreement and they think that his intervention, when it does take place, should be limited to safeguarding the international obligations of the Empire or any fiscal arrangements within the Empire to which His Majesty's Government is a party."

Now these are very strong words which, except for some timely warning by my honourable friend the Member for Oldham, almost passed unchallenged in the House of Commons; but when the Bill came for third reading to the House of Lords, Lord Curzon, speaking on behalf of His Majesty's Government, pointed out the great change which had been instituted in these matters by what amounted to the grant of fiscal autonomy to India. I will read you his words if you like, but I am sure they must be familiar to most of you, and I do not want to waste

your time. I can paraphrase them in the words of one of the speakers this afternoon ; the people of India are plain humble people and they regard a promise as a promise ; and, after that Report by an authoritative Committee of both Houses and Lord Curzon's promise in the House of Lords, it was absolutely impossible for me to interfere with the right which I believe was wisely given and which I am determined to maintain—to give to the Government of India the right to consider the interests of India first, just as we, without any complaint from any other parts of the Empire, and the other parts of the Empire without any complaint from us, have always chosen the tariff arrangements which they think best fitted for their needs, thinking of their own citizens first. Nothing could be worse for what I have set my heart upon—India as a willing contented partner in the British Empire–nothing could be worse from that point of view than to promise her through the mouth of Parliament these rights and liberties, and then, when they are only accidentally applied, because of the sudden need for revenue which was never foreseen before the fall in the exchange took place suddenly, to say : "We made a mistake in giving you this right ; we are now going to do the very thing that we said we would not do—interfere with your fiscal arrangements for the benefit of British trade."

ORDERED that a copy be forwarded to all Local Governments and Administrations and that it be published in the Supplement to the *Gazette of India.*

C. A. INNES,
Secretary to the Government of India.

APPENDIX **L-6.**

INDIAN FISCAL COMMISSION.

Extract from the Proceedings of a meeting of the Imperial Legislative Council held on the 19th February 1920.

Speech of the Hon. Sir George Barnes introducing a Resolution re the appointment of a Committee to examine Trade Statistics.

Sir, I beg to move the Resolution which stands in my name, namely :—

'That this Council recommends to the Governor General in Council that he appoint a Committee consisting of the Hon'ble Sir Claude Hill, the Hon'ble Mr. Mant, the Hon'ble Mr. Ley, the Hon'ble Mr. B. N. Sarma, the Hon'ble Sir Dinshaw Wacha, the Hon'ble Mr. Crum, the Hon'ble Mr. Paton, the Hon'ble Sir Zulfikar Ali Khan, the Hon'ble Sir Fazulbhoy Currimbhoy, the Hon'ble Rai Sita Nath Ray Bahadur, the Hon'ble Dr. Tej Bahadur Sapru, the Hon'ble Sir Gangadhar Chitnavis and myself to examine the trade statistics and to consider and report to the Governor General in Council whether or not it is advisable to apply to the Indian Customs Tariff a system of preference in favour of goods of Empire origin'.

"This may seem, and indeed is, a very large question for a Committee of this Council to approach, and I want to explain why I suggest that it should be approached in this way. His Excellency the Viceroy, when he addressed the Associated of Chambers of Commerce in Calcutta last month made it quite clear, as perhaps you will remember, that the Government of India do not wish to make any general change in the traditional policy of Government in tariff matters without the support of public opinion. It may be said that it is impossible for a Committee of this Council, in the time at their disposal during this Session, to go into the question as deeply as may be desired, and I quite realise the validity of this criticism. But it does seem to me that they can at any rate examine the statistical position, and without going into any very elaborate detail give their opinion on the question whether the admission of preference as a general policy into our Customs Tariff would or would not be to the benefit of India. I feel sure that the publication of their opinion, and of such papers on the subject as they think fit to publish, will be a valuable guide to the formation of sound opinion by others outside the Council Chamber who are interested in the subject.

"I may be asked what is the object of the Government in raising this very difficult and thorny question at the present moment? The reason is that the principle of Imperial preference has been recently adopted in the tariff of the United Kingdom and in the tariffs of several of the Dominions. The question has consequently become one of practical politics for India, and it seems to the Government that the time has come for examining the question afresh. As, Sir, you are aware, the question

was carefully examined during Lord Curzon's Viceroyalty and the results of that examination are contained in an exhaustive Minute by Sir Edward Law. In the despatch which covered the Minute and which has been published. Lord Curzon's Government came to a conclusion against adopting a scheme of Imperial preference, and this Despatch and Minute must form the starting point for any new inquiry. My Department, I need hardly say, has made an examination of the statistical position as it exists at present in comparison with that which obtained when Sir Edward Law's Minute was written; but we believe that the practical knowledge which the gentlemen whose names have been suggested as Members of the committee can bring to bear on the subject will be most helpful, and will do much to secure a true view of the effect of preferential duties on the trades in which British India is interested.

"If this Council, then, accepts the Resolution which I put forward, the first papers which will need their careful consideration are the Minute and Despatch of 1903. I do not propose at the present moment to weary the Council with a mass of figures, but, I think, they may be interested to know how the statistical position in 1903 compares with the statistical position for the year before the war, which is the latest year which is really worth considering. In 1903, the United Kingdom's share of our import trade was 66.5 per cent., the share of other parts of the Empire was 9.5 per cent, and the share of foreign countries was 24 per cent. In the year before the war, the United Kingdom's share had fallen to 63 per cent, the share of other parts of the Empire to 5 per cent., and the share of foreign countries had risen to 31 per cent. As regards the export trade, the United Kingdom's share had fallen from 25 to 23.5 per cent., the share of other parts of the Empire had risen from 13 to 14 per cent., and the share of foreign countries had risen from 62.5 to 65.5 per cent. As far as statistics of imports and exports go, the two positions in 1903 and 1914 are therefore similar to an extraordinary degree when we take into account the great changes which the world has undergone during the past five years. Indeed, the variations are so slight that they would not seem *prima facie* to vitiate the general conclusion reached in 1903 that India can have little to gain from a scheme of Imperial preference. There are, however, other sides of the question which will deserve the attention of the committee if it is eventually appointed. In the first place, I would observe

that the adverse decision of Lord Curzon's Government was based in some measure on the danger of reprisals by foreign nations. We should like to have the opinion of the Members of the Committee, who have many of them got special means of forming an estimate on this point whether that danger is to-day a real one, or as serious as it seemed to Lord Curzon's Government. The position is further changed, in the second place, by the adoption of a policy of preference in other parts of the Empire, including the United Kingdom. The Government desire that the question should be looked at quite dispassionately, and in the first instance from a purely interested point of view. What has India prospectively to gain or to lose? Supposing a scheme of preference to goods of Empire origin is generally adopted, as in fact in actual practice it already has been in portions of the Empire, will it be a wise policy in our own interests to abstain, or will it be wiser for India to join any such scheme? We must remember, I think, that we hope in the future to be something more than a source of supply of raw materials for other people's industries to work up. We look forward to the development of our own industries. I think we are even justified in looking forward to the possibility of finding export markets for our manufactured products either within the Empire or without. I think I might reasonably say that there are some portions of the Empire, not far from our own shores, which we might justly look upon as a natural outlet for our goods. If we are to compete on unfavourable terms in those markets with other portions of the Empire which are admitted to preferential duties, it would seem *primâ facie* that we should be placing ourselves at the outset at a disadvantage.

"This, of course, is only one aspect of the case, which has many sides to it, and I do not wish to be thought in any way as suggesting a decision in favour of one side or the other. Nor again do I wish to be interpreted as suggesting that the matter should be looked at absolutely from a selfish point of view. As His Excellency the Viceroy remarked to the Associated Chambers of Commerce while it is the interests of India to which we have first to look, it will be unwise to take a wholly parochial view, and in developing the tariff policy of the future, we ought to be able to evolve some system which will be to the advantage not of ourselves alone, but also of the Empire of which we are a part. And here, I may remind the Council that this is not the first occasion on which the question has been discussed in this Council.

Seven years ago, on 17th March, 1913, the Hon'ble Sir Gangadhar Chitnavis (who I am glad to say is still a Member of this Council) moved a Resolution in the following terms:—

'That this Council recommends to the Governor General in Council the desirability, in view of the loss of opium revenue, of considering financial measures for strengthening the resources of Government, with special reference to the possibility of increasing the revenue under a system of preferential tariffs with the United Kingdom and the Colonies.'

"In a carefully reasoned speech, he quoted the trade figures which were then applicable, and urged that India had nothing to fear from retaliation in the event of her increasing her import duties with the object of giving preference to other parts of the Empire. The figures on which the proposed Committee must work are of course the most recent figures. But there are parts of Sir Gangadhar's speech which apply to present conditions as much as they did when his speech was delivered, and I should like to make my apologies to him for quoting a few sentences from what he said. He asked :—

'What has India to gain by a scheme of Imperial preference? Her exports to the United Kingdom, for instance, are much smaller than her imports thence. She will have to give preference in a great many things and will receive a preference in a very few. Sir, I admit the premises, but I deny the conclusion. It is true that we ask for very little favourable terms for our cotton goods, our sugar, our tea, tobacco and coffee, and it is true that we can give a great deal. But I maintain that this is not a question to be treated in the spirit of a petty huckster lamenting over a one-sided bargain. There are likewise other advantages to be reaped from Imperial preference, of which I need but mention one as an instance, the solidarity of the Empire.'

"Those were Sir Gangadhar's words. Since then, the position has been somewhat changed by the adoption of the principle of preference in the United Kingdom Budget. Our tea, tobacco and coffee are all given a preference on entry into the United Kingdom. Our sugar would be entitled to a preference if we had any to export, but, unfortunately, India is an importer of sugar and not an exporter. With regard to cotton goods, the position is somewhat changed since the date when Sir Gangadhar made his speech. There was then an import duty of 3½

per cent on cotton piece-goods and a corresponding excise duty of 3½ per cent. The import duty has, as you all know, been raised since then to 7½ per cent, while the excise duty remains at its old figure of 3½ per cent. Thus, the excise duty at present forms a much smaller proportion of the import duty than it did in 1903 or in 1913. I only refer to this matter here because I wish to add that, in the view of the Government of India, it must be a condition of the acceptance of the principle of Imperial preference by India that the excise duty on cotton piece-goods should be totally abolished.

"Now, Sir, I want again to make it quite clear that this is not a Resolution in favour of Imperial preference. We only want the position to be examined. It is a Resolution for the appointment of a Committee whose duty it will be to give their opinion on the question of policy; that is to say, whether, viewed in the cold light of statistics, it will be consistent with the interests of India to apply to the Indian Customs tariff a system of preference in favour of goods of Empire origin."

No. 1047.

Government of India,
Department of Commerce,
Simla, the 13th April 1920.

TRADE AFTER THE WAR—IMPERIAL PREFERENCE.

Publication of Report of Committee on the subject of Imperial Preference.

Resolution.

In accordance with the resolution on the subject of Imperial Preference moved by the Hon'ble Sir George Barnes in the Imperial Legislative Council on the 19th February 1920, and adopted with certain amendments by the Council, His Excellency the Governor-General in Council appointed a Committee, in the Resolution in this Department, No. 1783-D., dated the 27th idem, to examine the trade statistics and to consider and report whether or not it is advisable to apply to the Indian Customs Tariff a system of preference in favour of goods

of Empire origin, and as to the best method of considering the future fiscal policy of India. The members of this committee (with the exception of the Hon'ble Dr. Tej Bahadur Sapru who was unavoidably absent) met on several occasions at Delhi and their report, which has now been received by the Government of India is published for general imformation.

2. The recommendation made by the Committee is receiving the careful consideration of the Government of India and their decision will be notified as soon as possible.

Ordered, that a copy of the Resolution be forwarded to all members of the Committee and to the Finance Department.

Ordered also, that a copy of the Resolution be published in the Supplement of the Gazette of India.

C. A. INNES,
Secretary to the Government of India.

In accordance with our terms of reference, we have examined the trade statistics of imports into, and exports from India. Statistics have also been laid before us relating to the imports into the United Kingdom and other principal parts of the British Empire of certain articles which India produces, or which there is a likelihood of her producing in the near future. We attach to this report a copy of a memorandum, which has been laid before us, and statements showing the value of, and the duty at present levied on, the imports of these articles into the United Kingdom and the principal Dominions in the years 1912 and 1918. (*For Memorandum and Statements see pp. 908-1001 of the Gazettee of India for 1920 January-June Supplement.*)

2. We first considered the question whether the application to the Indian Customs Tariff of a system of preference in favour of goods of Empire origin would be likely to involve any danger of retaliation by countries outside the Empire in respect of our export trade. So far as we are able to judge, we are unanimously of opinion that in view of the demand for our raw materials there is no danger to be feared on this score, and that the apprehensions of Lord Curzon's Government in respect of this particular aspect of the question would in present circumstances be unreal.

3. Having disposed of this aspect of the question, we considered generally in what directions loss and in what directions gain would be likely to result from the adoption of a system of preference in our import tariff. It seemed to us probable that if we are to secure from our customs duties, the financial resources which we require, the adoption of a system of Imperial preference would entail the raising of the present import duties against foreign nations. This would presumably result in raising to some extent the prices of imported commodities to the consumer in India, and from this aspect would be likely to be injurious. Looking to the profit side, the number of commodities in our export trade which might be expected to benefit by an increased market within the Empire, appeared to us to be limited. Our general conclusion is that India is neither likely to gain nor to lose appreciably on the balance by the adoption of a moderate preference in our import duties.

4. Though these are our provisional conclusions, we feel that we are not able to give an authoritative opinion on the subject, and we consider that such an opinion can best be obtained through the recommendation which we make below.

5. By our terms of reference we were asked to report as to the best method of considering the future fiscal policy of India. We think that this can only be effectively enquired into by means of a commission with power to take evidence in various parts of the country from all the interests concerned, from importers and exporters, producers and manufacturers, and from persons entitled to speak on behalf of the consumers. In this connection we think it right to draw attention to the fact that fiscal questions were specifically excluded from the purview of the Indian Industrial Commission, and it seems to us desirable that the enquiries of that Commission should now be followed by the appointment as early as convenient of an equally strong and representative Commission to examine the whole question of the future fiscal policy of India.

D. E. WACHA.
A. H. LEY.
SITA NATH ROY.
FAZULBHOY CURRIMBHOY.
G. M. CHITNAVIS.
B. N. SARMA.
G. S. BARNES.
CLAUDE H. HILL.
R. A. MANT.
ZULFIQAR ALI KHAN.
W. E. CRUM.
NIGEL F. PATOM.

I agree, but I would substitute for the words "in present circumstances" in the last line of paragraph 2 the words "so long as existing conditions continue" to make my meaning clear.

B. N. SARMA.

No. 1375.

Indian Fiscal Commission,
Camp, the 10th February 1922.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—As you are no doubt aware the Indian Fiscal Commission will commence taking evidence in Bombay on the 20th instant and will remain here till the 4th March when they will leave for Delhi. As the members of the Commission would be glad of an opportunity of studying the replies to their questionnaire, I write to ask if your Chamber intend to send in their views on the various points at issue and if so to request that a statement of those views may kindly be forwarded to me at a very early date. I am also to request that if the replies are being printed 35 spare copies may be furnished.—Yours faithfully,

E. F. ROGERS,
Assistant Secretary.

List of questions for witnesses giving written evidence for the Indian Fiscal Commission.

The following questions have been framed with a view to indicating the main aspects of the enquiry to be undertaken by the Fiscal Commission, so far as the President and those Members of the Commission whom he has been able to consult can at present judge of them. Sections A. and B. are intended to cover the general problems which will arise for consideration in determining the future direction of fiscal policy and in deciding whether India should adopt a policy of Imperial Prefer-

ence. The remaining sections contain questions designed to elicit not only the opinions but the definite experience of those engaged in the various branches of industry and commerce. In the case of answers to these questions the Commission will naturally attach special importance to conclusions resting on a solid foundation of facts and figures.

* * * * * *

A.—GENERAL.

The existing Indian import tariff is based primarily on revenue considerations. But it has been modified with a view to admitting free or at the favourable rate of 2½ per cent. articles the cheap import of which was considered desirable in the interests of the country. Thus certain raw materials, manures, agricultural implements, dairy appliances and cotton yarn are admitted free. Machinery, iron and steel and railway plant and rolling stock pay only 2½ per cent. *ad valorem*. The general rate, under which come the bulk of imports, is 11 per cent. *ad valorem*, while certain articles such as motor cars, jewellery and silk goods have been specially subjected from revenue considerations to a duty of 20 per cent. Sugar is charged at a special rate of 15 per cent. and high duties are imposed for revenue purposes on tobacco and liquors. An excise duty at the rate of 3½ per cent. is levied on all woven cotton goods manufactured in power mills in British India.

Export duties imposed for revenue purposes are at present levied on raw and manufactured jute, rice and tea. In 1919 an export duty was also imposed on raw hides and skins, with a rebate of ⅔ of the duty on hides and skins exported to any part of the Empire. The object of the duty was partly to foster the Indian tanning industry and partly to maintain a key industry within the Empire.

A Revenue Tariff.

1. Do you generally favour a policy of free trade or protection? If the former, have you any objection to the imposition of customs duties for the purpose of obtaining revenue?

2. Do you consider that a tariff provides a more or a less suitable form of taxation for India than direct taxation? If fresh taxation were necessary would you prefer an increase in customs to an increase in direct taxation?

3. If you accept the principle of imposing a tariff for revenue purposes would you suggest any change in the list of articles taxed or in the rate of taxation?

4. Do you consider that the tariff should continue to be based on existing principles? If so, please explain your views as to the advantages of this policy.

5. What effect do you consider the existing tariff policy has had on Indian industries in the past, and what effects on Indian industries would you anticipate from a continuance of this policy in the future?

6. When a duty is imposed on an article imported from abroad do you approve in theory or in practice of imposing an excise duty on the same article manufactured in India?

7. If you favour the imposition of excise duties is it on the ground that no protection of any kind should be afforded to the home manufacturer as against the foreign manufacturer?

8. Can such duties be imposed without raising the price to the consumer?

A Protective Tariff.

9. Do you consider that the tariff should be framed primarily with the object of fostering Indian industries? If so, please explain the advantages anticipated.

10. Do you look forward to India becoming in time independent of other countries in regard to all her requirements of manufactured goods, or do you consider that there are certain manufactured goods for which she is always likely to be dependent on other countries? If you hold the latter view can you furnish a list of articles for which India will have to depend on other countries?

11. Would you, for the purpose of developing Indian industries, favour the imposition of protective duties on all imported manufactures or only on some?

12. If you favour the protection of some industries only, which would you select for protection and on what principles?

13. Do you consider it desirable to establish new industries by protection? If so, on what principles would you select them?

14. Would you confine protection to industries which are likely after a period to be able to face foreign competition without such assistance, or would you contemplate the establishment of industries which would be likely to require continuous assistance?

15. Would you grant special protection against foreign goods favoured by such measures as dumping, bounties, subsidies or transport concessions? If so, what means would you suggest for ascertaining the exact facts and what measures would you advocate to afford the necessary protection?

16. What is your attitude towards hand industries and in particular towards the cotton handlloom industry? Do you wish them to be maintained or not?

17. Is there any danger in India of protection leading to combination among the protected manufacturers in order to maintain a quasi-monopoly price? If so, what safeguards would you suggest to counteract the effect of such a combination?

18. Do you think that, if a protective policy is adopted, it is likely that British or foreign industrial firms will endeavour to establish themselves in India in order to get the benefit of the protective tariff? If so, what would be your attitude towards such a movement?

19. In countries under a protective system it sometimes happens that producers of raw material ask for protection, while manufacturers who use the raw material oppose them, wishing to get their raw material as cheaply as possible. In the same way a demand of the spinning industry for protection is sometimes opposed by the weaving industry whose interest lies in cheap yarn. Do you think that conflicts of interest of this nature would be likely to arise in India and that if they did arise there would be any difficulty in adjusting them?

Effect of Protection on prices and on the consumer.

20. When an import duty is imposed, do you consider that ordinarily the whole or any part of it is passed on to the consumer in a rise of price?

21. If a protective duty causes a rise in price, is that rise likely to be permanent or not?

22. Would you be willing to accept an increase in price to the Indian consumer for the sake of developing Indian industries?

23. In considering the above question would you have regard to the point whether the protected article was a necessary of life? If so, what articles would you class as necessaries?

24. If you hold that an increase in the tariff rates would tend to increase the cost of living in India do you

think the increased cost would be covered wholly or in part by a rise in wages or salary for

(*a*) the industrial wage earner,

(*b*) the agricultural wage earner,

(*c*) the middle classes.

Effect of Protection on Foreign Trade.

25. What effect do you consider a policy of protection would have on the foreign trade of India and on the general commercial position and prospects of the country?

Use of Tariff for bargaining.

26. Do you consider that the existence of a tariff which could be used as an instrument for bargaining with other countries would be advantageous to India?

27. If so, would you recommend the adoption of general and special tariffs, the special being applied to countries from which India receives favourable treatment?

28. If the tariff is to be used in this way, would it be necessary to make it more detailed than it is at present?

Organisation for investigating the claims of Industries.

29. If a policy of protection were adopted would you recommend any kind of permanent organization for investigating the claims of various industries to protection from time to time and for the periodical readjustment of tariff rates?

Export duties.

30. What is your view of the proper function of export duties? Do you think that they should be imposed only for the purpose of raising revenue or do you think that they may be utilised for other purposes also?

31. What do you consider generally is the effect of export duties on the export trade? Can they in certain circumstances be imposed without injury to the trade? If so, in the case of what trades in India could this be done, and to what extent?

32. Would you consider it advisable to impose an export duty on a raw material in order to encourage its retention in India either for purposes of manufacture or for any other purpose? If so, please examine instances in which you would recommend such action and consider whether it would have any effect on the producers of the raw material and the amount they would produce.

33. Do you consider that it would be of advantage to India to impose an export duty on foodstuffs with a view to controlling their export and thereby lowering

Indian prices and the cost of living? What effect do you consider such action would be likely to have on the agricultural interests and on the quantity of foodstuffs produced in India?

34. Would you consider it advisable to impose an export duty on a raw material in retaliation for an import duty imposed by a foreign country on the manufactured article? If so, please examine cases in which you would recommend such action.

B.—IMPERIAL PREFERENCE.

At present reduced duties are levied by Canada, Australia, South Africa and New Zealand on a number of articles imported from the United Kingdom. In Canada, Australia and New Zealand the preferential duties are usually about $\frac{2}{3}$ of the full duty, though the fraction varies considerably both above and below this figure. The South African preference is a small one and is usually only a rebate of 3 per cent. *ad valorem*.

The United Kingdom has recently established preferential rates which are granted to the whole Empire on nearly all articles on which import duties are levied in the United Kingdom. The preferential rate is as a rule either $\frac{5}{6}$ or $\frac{2}{3}$ of the full rate.

A number of the smaller colonies grant preferential rates to the United Kingdom, and there are also various agreements between different parts of the Empire for mutual preference.

The countries which at present levy a lower rate of duty on certain goods imported from India as compared with the general duty levied on imports from foreign countries are the United Kingdom, Canada and New Zealand.

The articles of interest to India on which such lower duties are levied in the United Kingdom are tea, coffee and tobacco. These are all charged $\frac{5}{6}$ of the full rate. In the case of Canada the only Indian imports of any account are tea, jute cloth and raw hides. There is no duty on raw hides or jute cloth. On Indian tea the rate is 7 cents per lb. as against the rate of 10 cents on tea imported from countries outside the Empire. New Zealand imports from India a small quantity of tea which pays 3*d.* per lb. as against the rate of 5*d.* charged on tea imported from outside the Empire, and a small quantity of candles which are charged 1½*d.* per lb. instead of

2½*d.* Other imports from India into New Zealand are for the most part either free or receive no special treatment.

35. Are you on general grounds favourable to the idea of Imperial Preference? If so, do you think that India would be justified in risking any appreciable economic loss for the sake of Imperial Preference?

36. Would you differentiate between the policy to be adopted towards the United Kingdom and towards other parts of the Empire?

37. Do you anticipate any material loss or gain to India from a system of Imperial Preference? In particular, do you apprehend any likelihood of retaliation by foreign countries against India?

38. If you are in favour of preference, can you give a list of articles imported into India and exported from India to which the policy of preference might be applied? What would you consider a reasonable average rate of preference.

39. What principles would you apply in selecting articles to which preference might be given on import into India? Would you give preference in the case of goods which India hopes in time to manufacture mainly or entirely for herself, or only in the case of goods for which India is likely to have to depend on other countries?

40. If preference were given by raising the import duties on goods coming from foreign countries, the existing rates being maintained for British goods, do you anticipate that this would raise the price to the consumer or not?

41. Do you think that a system of Imperial Preference is likely to increase or diminish the total volume of Indian imports or exports, or to alter appreciably the proportion between them and thus affect the balance of trade?

42. Do you consider that the partial or complete diversion of trade from foreign countries which might result from Imperial Preference would have any effect on India's general trade position?

C.—MANUFACTURES.

43. Are you interested in any industry and if so in what capacity?

44. Do you consider that there are natural advantages for the industry in India ? If so, please enumerate them.

45. Do you consider that the industry is essential to the national security or of substantial importance to the economic prosperity of India ?

46. What is the state of organization and equipment of the industry in India as compared with that in other countries ?

47. On what markets does the industry depend for the sale of its output ?

48. What foreign competition (including for this purpose competition from the United Kingdom or other parts of the Empire) does the industry have to meet—

(*a*) in the Indian market;
(*b*) elsewhere ?

Does this competition extend in all or only to particular classes of goods, and does it vary with different classes of goods ?

49. Apart from questions of organization and equipment are there any special circumstances, natural or artificial, which give the competing country an advent age ?

50. Do you think that the industry needs protection ? If so, what rate of duty do you consider it is necessary to impose ? Please give in detail the facts and figures on which you base your conclusions.

51. Do you think it likely that if protection is granted, the industry will eventually reach a level of development which would enable it to face foreign competition without the aid of protection, or do you think the industry will always remain to a greater or less degree in need of protection ?

52. Does the industry ever suffer from dumping ? If so, do you wish to suggest any remedy ?

53. Is competition from other countries accentuated by depressed exchanges in those countries ?

54. If so, is this phenomenon likely to be temporary ?

55. Do you consider that any remedy is required ? If so, what would you suggest ?

56. Has the industry received any benefit from the successive enhancements of the tariff beginning in 1916 ? Can you describe the effects, so far as yet apparent ?

57. Do you think the industry has suffered in any way from export duties? If so, please give in detail the facts and figures from which this conclusion is drawn.

58. Is the finished product of the industry used as the raw material for any other industry? If so, to what extent?

59. Does the industry use as its raw material the finished product of any other industry which is established or is likely to be established in India?

60. Would you prefer a system under which all industries would receive a more or less uniform protection, or one under which industries receive varying amounts of protection in accordance with their needs?

D.—EXPORT TRADE.

N.B.—These questions are intended not only for actual exporters, but also for those who produce for export.

61. What articles do you export and to what countries?

62. Are you interested in any of the articles on which export duties are levied? If so, what do you consider has been the effect of these duties?

63. Do you recommend the increase, reduction or abolition of any of the existing export duties?

64. Is the Indian export trade in any way hampered by high import duties imposed in certain countries? If so, do you consider any action feasible or desirable?

65. Do you think the export of any articles in which you deal would be stimulated by a preferential rate granted by the United Kingdom or any of the Dominions or colonies? If so, what you consider the minimum rate of preference for each article which would exercise an appreciable effect?

66. Do you consider that the lower duties at present levied on certain imports from India into the United Kingdom or Canada or New Zealand, as compared with the general duty levied on imports from countries outside the Empire, have had or are likely to have any beneficial effects on the Indian trade in those articles?

67. Do you think that any foreign country whose trade might suffer by a system of Imperial Preference would be able without injury to itself, or would be likely even at the cost of injury to itself, to penalise the Indian

export trade to that country ? If so, what are the Indian exports that might suffer ?

68. If owing to a system of Imperial Preference the imports from certain foreign countries diminished, do you consider that this would tend to have any effect on the volume of Indian exports to those countries ?

69. If so, would there be an alternative outlet for these exports, without economic disadvantage, within the British Empire or in other foreign countries ?

E—IMPORT TRADE.

70. What articles do you import and from what countries ?

71. Have you observed any effects on your trade in particular articles from the year 1916 up to date, which can be ascribed in part or in whole to the changes in the rates of import duty ?

72. Do you consider that an appreciable increase in the present tariff rates would seriously diminish the volume of imports ? Can you give instances of any important commodities in which such a result is likely to occur ?

73. What would you expect to be the effect on the import trade of a preference given to British goods—

(*a*) if the preference were given by maintaining the existing rate for foreign goods and reducing it for British goods ;

(*b*) if the preference were given by maintaining the existing rate for British goods and enhancing it for foreign goods; and

(*c*) if the preference were given by a combination of (*a*) and (*b*) ; *i, e.,* raising the rate for foreign goods and reducing it for British goods ?

74. If Imperial Preference were introduced would you recommend that the same preference on the same goods should be granted to all constituent parts of the Empire, or would you treat each part of the Empire separately, taking into account the question of what reciprocal benefits India would receive ?

75. Do you think it likely that a system of Imperial Preference would diminish or increase the total import of any class of goods, or would it merely tend to alter the proportion in which that total is derived from foreign and British countries ?

76. Would any undesirable results follow from diverting the source of Indian imports from foreign to British countries ?

77. If you are favourable to Imperial Preference, to what articles would you be prepared to extend a preference if imported from the Empire or particular parts of the Empire, and what would you suggest as the amount of that preference ?

78. Do you approve of the system of *ad valorem* customs duties, or would you prefer that the duty should be specific, *i.e.*, a fixed charge for a given weight or measure ? If you prefer the latter system, what are your views on the necessity of readjusting the duties from time to time ?

F.—RETAIL TRADE.

79. What are the principal imported goods in which you deal ?

80. To what extent can changes in the retail prices of imported goods from 1916 onwards be attributed to the increases in the import duties during that period ? Can you give details of any such changes in retail prices with which you are familiar ?

81. In the case of any important classes of imports can you give any figures showing to what extent demand diminishes as prices rise ?

82. Have the increases in the tariff since 1916 affected your trade in any way ?

83. What would you expect to be the effect on your trade if imports from the United Kingdom or from the whole Empire were taxed at existing rates, while the duty on imports from foreign countries was raised ?

No. 243-75

Chamber of Commerce,
Bombay, 13th February 1922.

The Assistant Secretary,
Indian Fiscal Commission,
Development Buildings, Old Customs House.
Bombay.

Dear Sir—I am directed to acknowledge receipt of your letter, No. 1375, dated the 10th February 1922, and in

reply to state that this Chamber does not desire to give evidence as a corporate body before the Indian Fiscal Commission.—Yours faithfully,

C. B. SAYER,
Secretary.

APPENDIX L-7

CHINA CLAY

ASSESSMENT OF VALUE FOR CUSTOM DUTY PURPOSES.

Upper India Chamber of Commerce,
Cawnpore, 27th May 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir:—Will you very kindly let me know what in your experience, is the actual practice on the part of the Customs authorities in fixing an *ad valorem* value on imported goods in assessing them to import duty? Two instances have recently been brought to the notice of my Committee of what seems to be somewhat arbitrary action in assessing consignments of China Clay to Customs duty at Calcutta.

The circumstances are as follow :—

A member of this Chamber imported 100 casks of China Clay (25 tons) per S. S. Dramatist, which arrived at Calcutta, I believe, last month.

The clearing Agents in Calcutta presented the usual documents with original English invoices, to the Customs authorities for clearance of the consignment, the value of which, C.I.F. Calcutta, amounted to £ 255-7-5. This works out at something like Rs. 165 per ton.

The Customs authorities refused to accept this invoiced value, declared the *Market* value to be Rs. 20 per cwt., compelled the Clearing Agents to pay duty on this valuation, and in addition fined them Rs 50 for misdeclaration of value.

A second consignment of China Clay arrived this month per S. S. Defender. The value declared by the Agents,

based on the actual invoice for the goods, was Rs 165 per ton. The customs authorities have again declined to accept this valuation and have assessed the value @Rs. 400 per ton less 10% or Rs. 360 and have demanded duty on this valuation. So far however no fine seems to have been levied for misdeclaration of value of this consignment.

It appears on enquiry that the valuation by the Customs authority of China Clay @ Rs 400 per ton is due to the valuation by them of an earlier and quite different consignment of China Clay belonging to another consignee and cleared through another Agent and which was received at a time when stocks were depleted and *the market price in Calcutta* had risen accordingly.

The point at issue is whether, under a correct interpretation *ad valorem*, the Customs authorities are justified in ignoring the actual proved valuation of a consignment and in assuming instead an earlier, and now incorrect openmarket quotation, which may be due to several causes not affecting the consignment actually to be valued.

My Committee propose, of course, to take the matter up with the Customs authorities, and if necessary with Government, but before doing so they would like to know from the experience of your Chamber whether there is any precedent or justification for the arbitrary assessment of a value on a general market-price basis in supersession of the actual value of the consignment to be assessed.

It should be remarked that for many years previous to March 1921 China Clay has been imported free of duty and has only just been again brought on the Schedule. At the time of shipment of the first consignment it was not known that this commodity was now to be taxed.—
Yours faithfully,

J. G. RYAN,
Secretary.

No. 1253/160.

Chamber of Commerce,
Bombay, 21st June 1921.

The Secretary, Upper India Chamber of Commerce,
Cawnpore.

Dear Sir,—I am directed to acknowledge receipt of your letter, dated the 27th ultimo, in connection with the valuation in Calcutta of China Clay for Customs purposes.

In the above connection I am to state that it would appear to be probable that the practice by which valuations are arrived at by the Customs Authorities is the same all over India and, that being so, it is difficult to understand how, at the time you mention, such a high valuation as Rs 20/- per cwt. for China Clay was arrived at in any part of India. In Bombay, except in regard to imports on which the tariff valuation has been agreed upon for the year, the local wholesale cash market value is taken as the value on which duty is levied and the dutiable rate for China Clay at the moment is about Rs. 190/- per ton.—Yours faithfully,

C. B. SAYER,
Secretary.

Upper India Chamber of Commerce,
Cawnpore, 25th July 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—With further reference to your letter of the 21st June on the subject of the assessment by the Customs authorities of Calcutta of the value of China Clay, I am directed to hand you, for your information, copies of my letter of the 16th June to the Commissioner of Customs, Calcutta, and of his reply of the 7th July.

From this it will be seen that the wishes of my Committee have been met sympathetically by the Customs authorities.—Yours faithfully,

J. G. RYAN,
Secretary.

Copy of a letter dated 16th June 1921, from Upper India Chamber, to the Commissioner of Customs, Calcutta.

Representations have recently been made to this Chamber in regard to the action of the Customs authorities in Calcutta in assessing the value of certain consignments of China Clay imported by two of the Cotton Mills of Cawnpore through Agents in Calcutta.

The value in each instance was assessed not on the actual value of the consignment as shown by the invoices submitted by the Agents but on a local market value which has been previously ascertained by the

Customs authorities but which, as it happened was nearly three times the correct value of the material.

My Committee do not propose at this stage to enter on a discussion as to the action or discretion of the Customs authorities under Section 30 of the Sea Customs Act, or to their treatment of these particular consignments. They understand that sympathetic consideration has now been given to the representation made by the Mills concerned in regard to these consignments, and that the matter is on the way to settlement.

They would however asked to be allowed to suggest that China Clay be removed from the list of articles which are to be assessed at "Market value," in so far as this applies to China Clay imported by Cotton Mills, and that a working instruction be given that the case of such consignments the actual invoice value may be accepted.

The reasons actuating my Committee in making this suggestion are to be found in the circumstances attending the recent action of the Customs authorities in regard to China Clay. There had either been a shortage of this commodity in Calcutta, or the local dealers had fixed a profiteering value on their stocks, resulting in the local value being reported to be Rs. 400/- per ton. The Cotton Mills of Cawnpore, who invariably import their supplies direct from the producers, obtained consignments which naturally were far lower in price than the temporary, artificial or profiteering price which had ruled in Calcutta. Actually the price was some Rs. 165/- per ton, but the declaration of this value was immediately discredited in favour of the local profiteering price.

It might have been noted that the earlier of the Mill consignments were shipped before the new Tariff Schedules came into force, and therefore before the Mills were in a position to know that China Clay, which when imported for use in cotton Mills had been previously duty free, was now to be liable to duty. There could therefore have been no probability of an intentional falsification of the invoice price, even if, as is entirely unlikely, a company of the high standing of the Mills concerned would lend itself to such falsification.

The Mills invoices should therefore not have been regarded with suspicion, but should rather have been taken as corrective to a previously wrong valuation.

The indication is however clearly given that consuming Mills can import their supplies of China Clay at a far lower price than rules for local supplies in Calcutta, and on the face of it it is reasonable that their importations should be assessed at their proper, actual value rather than at an inflated value assigned by a profiteering trader to his own stocks.

The issue of an instruction such as my Committee recommend would not involve much difficulty.

The importations which would be affected would not be numerous. They would be regular, or periodic, and their could be no doubt about them or any confusion in there regard since the name of the importing mill is given on the invoice.

Unless some such working instruction is issued it is certain that the situation which is the cause of the present reference will again arise; stocks will be short in Calcutta; local dealers will assign a fancy value to their stocks; the mills will continue to import direct at a fair, proper cost and will again be discredited because the "Market value" – or, in other words, the highest obtainable value, in Calcutta, is in excess of the price they pay. This will be in the highest degree unfair to the Mills and my Committee feel sure that you will assist in removing the possibility of this unfairness.

Copy of a letter No. 10945 dated 7th July 1921, from the Collector of Customs, Calcutta, to Chamber:—

In reply to your letter of the 16th June 1921 regarding a representation made to the Chamber by two of the Cotton Mills of Cawnpore in respect of certain consignments of China Clay imported through their Calcutta Agents, which were assessed to duty on the basis of the local market value. I have the honour to inform you that it has for a number of years past been the practice to assess China Clay on this basis.

Since receiving your representation on behalf of the Cawnpore Cotton Mills I have caused special enquiries to be made as to whether a local market value is still ascertainable, and as a result of this enquiry am satisfied that this can no longer be said to be the case. I have, therefore, decided to remove this commodity from the list of goods which are assessed on the market value basis. In future duty will be assessed on the value as defined in section 30 (b) of the Sea Customs Act.

APPENDIX L-8

TARIFF VALUATIONS OF ANILINE DYES.

British Dyestuffs Corporation Limited,
Graham's Building, Parsi Bazaar Street,
Bombay, August 12th, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—With reference to the revised tariffs on aniline dyes, we feel constrained to enter a very strong protest as to the way in which this matter has been dealt with. We would inform you that we have imported very large quantities of aniline dyes, especially sulphur blacks, under the old tariff, namely 14 annas per lb. All these stocks are still lying in our Godown. Owing to very severe German competition we have hitherto been unable to make any headway at all.

The situation has now been considerably aggravated in view of the fact that the representatives (except native dealers) of German Aniline Dye Manufacturers hold exceedingly small stocks of colours in Bombay as they are only doing indent business, which means that they will have an advantage of 9 annas per lb. (in Sulphur Blacks) on all future sales, whereas before we are able to reduce our prices we are first compelled to liquidate our present stocks.

From the above you will gather that we are faced with a very heavy loss which we can ill afford at this time.

Our object in placing these facts before your notice is to suggest that a refund be made of all duty paid in excess. In conclusion, we would say that the position of the British Dye Manufacturers is critical as far as this country is concerned, and as we have repeatedly made attempts to obtain protection in some form or other without success, we sincerely trust that this question of refund will receive your very careful and sympathetic consideration.—We remain etc.,

R. F. HUNTER,
British Dyestuffs Corporation, Ltd.

No. 1662-9.

Chamber of Commerce,
Bombay, 2nd September 1921.

Messrs. British Dyestuffs Corporation Ltd.,
Bombay.

Dear Sirs,—I am directed to acknowledge receipt of your letter, No. R.F.H.-1, dated the 12th August 1921, regarding the recent revision of the tariff valuations in respect of aniline dyes and requesting the support of this Chamber to a suggestion that Government should be requested to consider the grant of a refund in the case of all dyestuffs imported prior to the recent notification and in respect of which duty at the higher rate has been paid.

2. In reply I am to state that the various arguments adduced in support of your suggestion have received the careful consideration of my Committee who, however, regret that they are unable to assist you in the manner you desire.

3. I am to add that, in the opinion of my Committee, the necessary corollary to the request contained in your letter, namely that, on account of the exceptional circumstances in which you are situated at the moment, a refund should be granted to you equivalent to the difference between the amount levied by the Customs Authorities at the higher valuation and the rates prescribed by the recent notification and introduced with effect from the 6th ultimo, is the recognition of the principle that no change in the tariff valuations for any one year shall be effected during the course of that year. Such a principle my Committee would be loath to affirm having regard to the fluctuating nature of present values, and, more particularly, to the fact that, once the principle were established, any benefits that might accrue to importers of dyestuffs thereby could not, in equity, be confined to that particular section of the general import trade of the country, however essential to the economic and industrial life of the country the products in question may be.

4. It is by reason of the foregoing, and other considerations in the same regard, that my Committee are unable to concur in your suggestion that Government should be addressed in the matter, upon the lines indicated in your letter.—Yours faithfully,

C. B. SAYER,
Secretary.

APPENDIX L-9

TARIFF VALUATIONS OF SUGAR.

No. 100-T

Commercial Intelligence Department, India,
Simla the 19th May 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—The Committee of your Chamber will remember that during the last discussion held with a view to fix Tariff Valuations for import duty, a member of the Committee suggested that Java sugar should be regraded for import duty as follows :—

(*a*) 25 Dutch Standard and over
(*b*) 22 to 24 Dutch Standard
(*c*) 16 to 19 Dutch Standard
(*d*) 15 Dutch Standard and under

2. As promised at the discussion, I referred this suggestion to Collectors of Customs at the various ports, and have received unanimous replies to the effect that the present grading, namely,

(*a*) 23 Dutch Standard and above
(*b*) 16 to 22 Dutch Standard
(*c*) 15 Dutch Standard and under

is more convenient both to Customs officers and to the trade. In the circumstances, I have thought it wisest not to introduce the alteration suggested.—Yours faithfully,

H. A. F. LINDSAY,
Director-General.

APPENDIX L-10.

EXPORT DUTY ON, AND TARIFF VALUATIONS OF, HIDES AND SKINS.

No. 14

Southern India Skin & Hide Merchants' Association,
33, Errabaloo Chetty Street, George Town,
Madras, 18th January 1921.

The Chairman, Chamber of Commerce,
Bombay.

Dear Sir—I herewith enclose a copy of the telegram sent by this Association to the Government of India, Department of Commerce, Delhi, requesting them to reduce the valuation of Raw Skins for Tariff purposes to Rupee one per goat skin and annas eight per sheep skin owing to heavy fall in prices and to cancel the Rebate Bonds as most merchants are unable to meet rebate liabilities under the present trade conditions.

2. I therefore request your Chamber will also support our action and move the Government in the matter.—Yours faithfully,

ABDUL HUSSAIN KHALULI,
Honorary Secretary.

Southern India Skin and Hide Merchants' Association, Madras.

The following Telegram has been sent by this Association to the Government of India, Department of Commerce, Delhi, on the 17th January 1921.

"In view of heavy reduction in prices of raw skins since last revision my Association urges immediate reduction tariff values to one rupee per goat skin and eight annas per sheep skin and advise Customs Authorities immediately. In view great stagnation in trade, heavy losses incurred by merchants dealing in skins and hides and in view of heavy unsold raw stocks lying in London for a long time for want of demand, Association requests cancellation of rebate bonds on goods so far shipped to London to enable merchants to seek other outlets for those stocks. Consider this step very necessary. Most merchants being unable to

meet rebate liabilities under present trade conditions do not dare finding outlets outside while in the meantime stocks deteriorate. Strongly feel Government should thus help merchants to tide over present serious crisis if trade is not seriously to be disorganised."

No. 217-68.

Chamber of Commerce,
Bombay, 3rd February 1921.

The Honorary Secretary,
Southern India Skin & Hide Merchants' Association,
33, Errabaloo Chetty Street, George Town,
Madras.

Dear Sir,—I am directed to acknowledge receipt of your letter, No. 14 of the 18th January 1921 asking this Chamber to support your representation to the Government of India in connection with the question of the reduction of the Tariff Valuations of raw goat and sheep skins and the cancellation of the Rebate Bonds. In reply I am to state that as there is very little business passing in Bombay in these goods, my Committee do not feel that they are called upon to express a general opinion in support of your contention. They regret therefore that they cannot see their way to address the Government of India as desired by you.—Yours faithfully,

H. ROYAL,
for Secretary.

No. 3561

Commercial Intelligence Department, India,
Calcutta, 9th May 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—As you are aware, the fixed valuations of hides and skins for export duty have been revised, with effect from the 16th ultimo. The Government of India understand that it would be to the convenience of firms and individuals interested in this trade, firstly, if they were definitely informed how long the present valuations will continue in force without further revision, and, secondly, if two months' notice could be given of any subsequent

revaluation. Will you kindly inform any members of your Chamber who may be interested that Government will not consider the question of further revaluations before the middle of August next; and that, should prices by that time have altered to such an extent that further revaluations then become necessary, two months notice will be given to the trade before they are finally introduced. It is hoped, however, that the course of prices will not necessitate a re-examination of the present valuations before October, when they will come up automatically for scrutiny together with valuations for general import duty. Revaluations both for export and import duty would then be notified together, after discussions with the trades concerned, with effect from the 1st January.—I have etc.,

C. G. FREKE,
for Director-General.

No. 130-T

Commercial Intelligence Department, India,
Camp, Simla 26th May 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—Will you kindly refer to my letter No.3561, dated the 9th instant, on the subject of re-valuations of hides and skins for export duty? The following words should be added at the end of paragraph 1 of that letter:—

"and would be in force for one year from that date."—
Yours faithfully,

H. A. F. LINDSAY,
Director-General.

APPENDIX L-11.

EXPORT DUTY ON HIDES AND SKINS.

Chartered Bank Buildings,
Karachi, 13th May 1921.

The Chairman, Chamber of Commerce,
Bombay.

Dear Sir,—I beg to enclose for your information a copy of a letter dated 7th May with an enclosure from the

Calcutta Hides & Skins Shippers Association. I shall be glad to know if you support these Calcutta views,

E. L. PRICE.

No. 79—H.S.

Calcutta Hides & Skins Shippers Association,
Royal Exchange,
Calcutta 7th, May 1921.

E. L. Price, Esq., M. L. A.

Dear Sir,—At a special general meeting of the members of this Association held on 29th April I was instructed to convey to you an expression of the hearty thanks of the Calcutta shippers of hides for the efforts made by you, in the Indian Legislative Assembly, to secure the removal of the duty. It is a matter of great regret to the Association that these efforts were unsuccessful, but at the same time they recognise the material assistance you have given them, and they trust that, when the proposal, next comes before the Assembly, the result will be more satisfactory.

2 I am to attach for your information a copy of a letter No. 77 H. S. dated 7th May 1921 which the Committee have addressed to the Government of India on the subject of the export duty. This communication will make clear to you the attitude taken up by the Association in the matter. The telegraphic protest referred to in paragraph 3 of the letter was dated 23rd, August 1919 and was addressed to the Department of Commerce: it was in the following terms:—

"44 Following resolution adopted at special general meeting of the Calcutta Hides & Skins Shippers Association held on 22nd begins. That this Association whilst upholding the principles of supporting British and Indian tanneries is of opinion that this should not be done at the expense of the Indian raw hides trade which the Association believed will be the ultimate result if the export duty on raw hides and skins is imposed. This Association wished to emphasise the fact that when the recommendation was first supported by the Association the members of the Association were not representative of the bulk of the trade which the Association now claims itself to be. This Association strenuously opposes the proposed imposition of a export duty but supports clauses 1 & 2 of the resolution referred to in para 6 of letter No 2 H. S. dated

14th, January 1919 addressed by Association to you substituting approved for British, ends. A formal representation is being forwarded and Governmnt is requested to withhold further action in the meantime."
—Yours faithfully,

H. M. HAYWOOD,
Secretary.

No. 77 H. S.

Calcutta Hides & Skins Shippers Association,
Royal Exchange,
Calcutta 7th. May 1921.

The Secretary to the Government of India,
Department of Commerce.

Sir,—I am directed to acknowledge receipt of your letter, No 3284 dated 25th, April 1921, with reference to the export duty on hides and skins.

2. It is, to the members of this Association, a matter of much regret that the Government of India were unable to see their way to propose to the Legislative Assembly that the duty should be repealed. They of course recognise that, as you suggest, the Fiscal Commission will afford them an opportunity of again raising the question. But even if they can convince the Commission that the duty should be withdrawn, and the Government accept the finding of the Commission, it will be a very long time before the necessary legislative action can be taken. Meanwhile the position of the trade is steadily going from bad to worse. Indeed it may be safely affirmed that, so far as hides are concerned, the trade has never been in so grave a state as it is to-day. And it is feared that before the duty is abolished most of the firms of allied nationality who are now in the hides business will have been forced to withdraw from it. For not only have they to contend with the difficulties created by the duty but, as you will have observed from my No. 71 H. S. dated 7th. May, determined efforts are now being made, by German manufacturers, to re-establish their pre-war control of shipments from Calcutta to Germany.

3. In connection with the debate in the Legislative Assembly I am to invite attention to the following remark which was made by Mr. C. A. Innes :—"I should

in the first place" he said "like to remind the house that when we introduced the export duty on hides and skins last year we did it with the trade behind us, in fact at the instance of the trade."

Mr. E. L. Price: "What trade Sir?"

Mr. Innes: "The Hides and Skins Shippers Association, as the Association is now constituted, was in favour of an export duty." The members of this Association gladly acknowledge the sympathetic manner in which Mr. Innes referred to the case for the withdrawal of the duty; and they hesitate to criticise his statements. But they feel that they ought to make it clear that the particular statement which I have quoted is not strictly accurate. The facts, are, briefly, that, in a letter dated 14th January 1919, the Association, as it was then constituted, urged the Government of India to impose an export duty. But when, in August of that year, the proposal was actually under consideration by Government a large majority of the members of the Association as it was then constituted—its membership having been materially enlarged in the meantime—strongly objected, and telegraphed a vigorous protest to the Department of Commerce. This list of members in January and in August 1919 was as follows:—

January 1. Messrs Graham & Co. 2. Messrs. Gladstone Wyllie & Co.
3. „ Walker & Co. 4. Messrs. David Sassoon & Co., Ltd.
5. „ M. Arakie & Co. 6. „ M. M. Ispahani & Sons.
7. „ Bird & Co. 8. „ A. H. Wheeler & Co.
9. „ Allen Bros & Co. (India) Ld.

August 10. Messrs A. Forbes & Co. 11. Messrs Charles Booth & Co; (Calcutta) Ltd.
12. „ Enrico N. Stein. 13. „ C. J. Mathews & Co. 14. Messrs Burke Brothers.
15. „ Mr. Hafiz Md. Halim. 16. „ Mogi & Co.
17. Messrs. Mitsui Bussan Kaisha Ld. 18. „ Mr. K. L. Mohamed.
19. „ Grace Brothers (India) Ld. 20. „ Messrs. Grandage Moir & Co. Ltd.

4. As I have indicated, the Association refers to the point now not with the object of criticising but merely to place on record the fact that, as soon as it became a body fully representative of the trade, it took up an attitude strongly antagonistic to the imposition of a duty. That attitude which was defined clearly to the Government of India at the time, it has ever since maintained. And those few shippers who supported the duty in January 1919, and who were in the minority in August of that year are now firmly convinced that the duty ought to be removed.—I have etc.,

H. M. HAYWOOD,
Secretary.

No. 1083-186.

Chamber of Commerce,
Bombay, 26th May 1921.

E. L. Price, Esq., O.B.E., M.L.A.,
Chartered Bank Buildings,
Karachi.

Dear Sir,—I am desired to acknowledge receipt of your letter of the 13th instant and its accompaniments with reference to a representation made by the Calcutta Hides and Skins Shipping Association for the removal of the export duty on hides and skins.

In reply I am to state that as the legislation was put into force only two years ago at the request of the trade in general, my Committee feel that it has not been given a sufficiently long trial and they are, therefore, opposed to the removal of the duty at present.—Yours faithfully,

H. ROYAL,
for Secretary.

No. 126-H. S.

Calcutta Hides & Skins Shippers Association,
Royal Exchange,
Calcutta, 9th July 1921.

The Secretary, Chamber of Commerce,
Bombay.

The export duty on hides and skins.

Dear Sir,—The Committee of this Association understand from Mr. E. L. Price, M.L.A., that your Chamber

is opposed to the removal of this duty, on the ground that it has not been given a sufficiently long trial.

2. This decision on the part of your Chamber has been noted with considerable regret by the exporters of raw hides and skins here; and I am to forward, for your information, a copy of the various representations that have been made by this Association, during the past eighteen months, to the Government of India, on the subject. These papers will, the Committee think, make clear the fact that the duty is hampering the trade, and that it ought to be removed. I am to express a hope that your Committee will be disposed, after reading these papers and further examining the question, to reconsider their decision in regard to it.—Yours faithfully,

H. M. HAYMOOD,
Secretary.

CALCUTTA HIDES AND SKINS SHIPPERS ASSOCIATION.

The Export Duty on Hides & Skins.

MEMO:—The following correspondence includes the principal representations that have been made by the Calcutta Hides & Skins Shippers Association to the Government of India from the beginning of last year (1920).

Letter No. 20-H. S., dated Calcutta, the 17th February 1920, from the Association, to the Government of India, Department of Commerce and Industry.

I am directed to refer to the Association's letter No. 53-H. S., dated 16th September 1919, protesting against the imposition of an export duty on hides & skins.

2. I am now to inform you that at the annual general meeting of the Association, which was held on the 6th February 1920, and at which the export trade in hides and skins was fully represented, the following resolution was adopted :—

> That, in the opinion of the Calcutta Hides and Skins Shippers Association, the export duty has had a most detrimental effect on the trade in cow and buffalo hides, it has been imposed at an altogether inopportune time, for added, as it is to the high rate of exchange which now prevails, and which is likely to prevail for

a long period, it has brought business practically to a standstill, in fact it so greatly restricts the export of the inferior classes of hides that large quantities of these classes, which cannot be shipped, will become absolutely worthless. In these circumstances the Association strongly urges upon the Government of India the necessity for the immediate removal of the duty which without benefiting the Indian tanner, is unquestionably ruining the export trade in hides.

3. In their letter to which I have referred the Committee of the Association pointed out that India is only one of a number of countries producing hides and skins : and that consequently the Indian producer would either have to pay the duty himself, or to be placed on unequal terms with his competitors. This has proved to be in the result an entirely correct forecast. For at the present moment the inferior grades of Indian hides are, as it is stated in the resolution, unsaleable, and large quantities of these grades will, it is feared, become valueless.

4. The members of the Association are quite in sympathy with any movement that will tend to promote the tanning of Indian hides within the British Empire. But the point is that the British tanners cannot take more than a fraction of India's production of hides. The inferior grades are not wanted to any great extent by either the British, or the Indian tanners ; and the export duty is a direct hindrance in the way of the shipment of these grades to the countries where they are wanted. It is for this reason that the Association protests so strongly against the continuance of the duty. For on the one hand it is obviously not helping the Empire tanning industry, while on the other it is putting an end to a large and valuable trade.

5. The Association recognises of course that the present position of exchange is against the export of hides, as it is against the export of all Indian commodities. But the existence of such a handicap on the trade is of itself an additional reason for removing the duty. Exchange, and the high cost of labour in the consuming countries, are obstacles that cannot be overcome at the moment. But the export duty is an unnecessary obstacle, that is capable of removal ; and the Association strongly urges that it should be withdrawn at the earliest moment.

6. In conclusion I am to express the hope of the members of the Association that their views, as expressed in this letter and in the resolution will receive the sympathetic consideration of the Government of India.

Letter No. 1648-D, dated Delhi, the 24th February 1920, from the Government of India, Department of Commerce and Industry to the Association.

With reference to your letter No. 20-H. S., dated the 17th February 1920, I am directed to say that the Government of India regret that they are unable to accept the suggestion made by your Association that the export duty on raw hides should be removed immediately. As the shipments of raw hides during the months of September to December 1919 were larger than in the corresponding periods of the previous seven years the Government of India do not see any justification for the assertion that the duty is ruining the export in raw hides.

Letter No. 70-H. S., dated 29th April 1920, from the Association to the Government of India, Department of Commerce.

I am directed to refer to your letter No. 1648 D, dated 24th February 1920, on the subject of the export duty on Indian raw hides and skins.

2. You state that the Government of India are not prepared to accept the suggestion made by this Association, namely, that the duty should be removed immediately. And you point out that during the months of September to December 1919, the shipments of raw hides were heavier than in the corresponding periods of the previous seven years. This being so, you state that the Government of India see no justification for the assertion that the duty is ruining the export trade in raw hides.

3. The official statistics of the exports of hides and skins are accessible to the public, and those for the period in question were known to the Committee when they addressed you on the 17th February last. The fact that the exports were heavy between September and December does not in any way affect their contention. They assumed that your department was more familiar with the position than it appears to have been ; and they did not, therefore, think it to be necessary to go into statistical details. But the point is that an unduly large proportion of the shipments of hides from Calcutta have been since

the imposition of the duty, and still are, unsold consignments.

4. In order to make clear to the Government the small proportion actually sold, duty paid, the Committee have obtained the particulars given below from the following sixteen of the principal Calcutta firms of hides shippers, namely, Messrs. Grace Brothers (India), Ld, Messrs. Bird & Co., Messrs. Allen Brothers & Co., (India), Ld., Messrs. Burke Brothers, Messrs. David Sassoon & Co., Ld., Messrs. Graham & Co., Messrs, M. M. Ispahani & Sons, Messrs. Charles Booth & Co,, (Calcutta), Ld., Messrs. A. Forbes & Co., Ld., Messrs. Gladstone, Wyllie & Co., Messrs. Anderson, Wright & Co., Messrs. M. Arakie & Co., Messrs. Hafiz Md. Halim & Co., Messrs. C. J. Mathews & Co., Messrs. Mitsui Bussan Kaisha, Ld. and Messrs. Enrico N. Stein :—

COW HIDES.

	11th Sep. to 31st Dec. 1919.	*Jan. and Feb. 1920.*
Total number of pieces shipped...	1,659,734...	591,619
Number of these actually sold (duty paid) to 16th March.....	570,940...	300,558

BUFFALO HIDES.

Total number of pieces shipped...	162,004...	62,997
Number of these actually sold (duty paid) to 16th March.....	33,262...	45,032

5, With this analysis of the shipments before them the Government of India will, the Committee feel sure, agree that the position is too serious to be disposed of by a mere passing reference to the extent of the export. The Committee are still of the opinion that, in the existing economic situation, the export duty is tending to the ruin of the export trade in raw hides. And they have instructed me to set out briefly the principal considerations which have led them to this conclusion. Before doing so, however, I am to remark that the members of this Association are only middlemen. They pay no part of the duty, which has to be borne entirely by the Indian cattle owner. Their business is the buying and the exporting of hides and skins. They have no objection to export duties as such; and their sole reason for intervening in the matter of the duty on hides and skins is that it is, in their opinion, tending to the ruin of their business, at least so far as hides are concerned. When the Association was originally formed there was a feeling, to which expression was given, that an export duty should

be imposed. But at present, although the membership has greatly increased, and no members have left the Association, one member only is now in favour of the duty. This fact alone shows that the trade must be suffering.

6. Prior to the war only a very small portion of the exports of raw cow hides and raw baffalo hides went to countries within the British Empire. The largest buyer of kips was Germany, and the largest buyers of buffalo hides were the United States and Austria. The export duty was imposed, it is understood, to promote the tanning of Indian hides in the United Kingdom, in other parts of the British Empire, and also in India. The members of this Association entirely approve of these objects, but the position of the hides trade at the moment does not suggest that they are being realised to any appreciable extent. The supply of hides in India is greatly in excess of the demand. In fact rupee prices are well below pre-war level, and even so the hides are remaining unsold in huge quantities. But cow hides (Dacca and Commons for example) and buffalo hides may be safely said to be as much as 10% to 20% below the pre-war rupee price level. In fact sales can only be effected, in many instances, at less than the cost of collection.

7. Such is the position as regards the rupee prices. But by reason of an adverse exchange, high cost of transport and of labour in consuming countries, and—as the Association contends—the export duty, the prices of Indian hides abroad are far too high. The bulk of the Indian production consists of the inferior grades of hides; and these can only be sold at low prices. The Indian demand is not likely to extend greatly ; and at the moment the supply is far in excess of the combined requirments of British Empire and Indian tanners. The German and Austrian markets have been lost; and buyers in other countries will not pay prices 10% at least higher than those at which their competitors in British possessions can buy. It follows that foreign buyers are purchasing from other countries. They are being driven away from Indian hides which cannot find a market anywhere.

8. The attitude of the members of this Association is that it is not right for the Government of India to do anything to bring about, or to accentuate, a state of affairs such as this. Exchange, and the heavily enhanced cost of labour and transport in consuming countries, are as I have said, operating against Indian hides. But neither the Government, nor the trade, can remove either of these

adverse influences. The export duty—which is another influence operating in the same direction—is, however, capable of removal ; and the case against its continuance is undoubtedly worthy of the attentive consideration of the Government. There can be no valid reason why the Government should not facilitate the exportation of the surplus of India's production of hides. The wants of the British, and the Indian, tanner are more than satisfied ; and it cannot be in the general interest of the country that any action on the part of the Government should tend to hamper the distribution of the balance. As matters stand the producer of hides in India is receiving less for his products, while the prices of commodities generally are rising. In this connection I am to suggest that the Government of India should elicit opinions from the Indian hide merchants in the principal centres throughout the country on the subject.

9. I have already mentioned that the members of the Association, a number of whom formerly favoured the duty, are now almost unanimously opposed to it. The Committee observe with interest that opposition is also developing elsewhere : and in illustration of this they instruct me to quote, for the information of Government, the following resolution which was adopted recently by the Leather Trade Section of the London Chamber of Commerce :—

> That in the opinion of this meeting of the Leather Trade Section of the London Chamber of Commerce, the Bill introduced by the Council of the Viceroy of India imposing an export duty on hides and skins from India (although with a rebate of two-thirds duty to Empire countries if the skins are tanned there) is very detrimental to the interests of the trade in Great Britain, and this meeting strongly protests as a matter of principle against its being imposed, and urges that no similar duties be sanctioned by the Secretary of State at any time without consideration of the views of the business communities in India and the United Kingdom.

10. In conclusion I am to express the hope of the members of the Association that the Government of India will attentively consider this represention, and will re-examine the question of the duty with a view to its abrogation.

Letter No. 1856, dated 7th May 1920, from the Government of India, Department of Commerce, to the Association.

I am directed to acknowledge the receipt of your letter No. 70-H. S., dated the 29th April 1920. A reply will follow.

Letter No. 157 H. S., dated 10th December 1920, from the Association, to the Government of India, Department of Commerce.

I am directed to refer to the previous correspondence, resting with your No. 1856, dated 7th May 1920, on the subject of the export duty on hides and skins.

2. Your letter was an acknowledgment of a representation which was made by this Association, to your Department, on the 29th April 1920. The views of the Government of India on the proposal which was put forward by the Association, namely, that the export duty on hides should be withdrawn, have not been so far communicated. The Committee of the Association understand, however, that the question is engaging the close attention of the Government. They also observe, from your Department's notifications, Nos. 5212 and 5213, dated 14th August last, that the tariff values stated in column 4 of the export schedule have been reduced. But while they welcome this reduction, they do not regard it as being in any way a satisfactory substitute for their proposal that the duty should be withdrawn.

3. When my letter was written seven months ago the position of export trade in raw hides was bad, but the Committee have no hesitation in affirming that to-day it is distinctly worse. No complaint was being made in April in respect of skins, which were selling at good prices, and the Committee confined their representation to hides. But at the present time the market for skins is seriously depressed. There has been a heavy fall in prices, and the Committee maintain that, in the existing situation, the duty is a distinct hindrance to the trade. India has no monopoly of goatskins; and the duty even on the basis of the reduced tariff valuations works out to the following percentages on current prices:—

18¾%	on 1st	Grade	Goats	(approx.	market	rate 160/-)
25%	„ 2nd	„	„	(„	„	„ 120/-)
60%	„ 3rd	„	„	(„	„	„ 50/-)
150%	„ 4th	„	„	(„	„	„ 20/-)

and 25/30% on average values of present stocks and supplies.

4. With reference to hides, the Committee would again emphasise the fact that the highest grades constitute only a small proportion of the Indian production. The bulk consists of the lower and lowest grades which are, and have always been difficult to market except at very low prices. The English tanner considers that only the best qualities are worth the present high cost of labour. The Indian tanner is in such a position that he cannot take up the surplus production. And the continental nations who formerly bought the low qualities are not now in a position to buy freely. The situation as regards hides has thus become decidedly worse, and it has been, and is being, accentuated by the large carry-over of hides from last season.

5. It cannot be reasonably urged that in existing circumstances the duty is required to effect the purpose for which it was imposed, namely, the protection of the Indian tanning industry. Nor is it right, even for the protection of an industry, that the State should take such action as is calculated to depress the prices received by the cultivator and the cattle-owner for his production. Without the duty these prices would now be very low; and with it they are so diminished as to offer no encouragement to the collection and marketing of the lower and lowest grades. Then again it must not be overlooked that the duty is levied at the same rate on all grades whether high, medium, or low; and this inequality is of course a very heavy handicap on the lower and lowest grades.

6. The Committee have never contended, and they do not wish to suggest now, that all the evils from which the export trade in raw hides and skins is suffering can be remedied by the withdrawal of the duty. But their contention is, as they have repeatedly pointed out, that the duty is an evil which can be, and which ought to be, remedied. They do not claim that its withdrawal would bring about a great revival of the export trade; but they believe that there would be a marked improvement if it were withdrawn. For they know from actual cases within their own experience that the difference in price which is created by the existence of the duty does have the effect of stopping business.

7. There is no need for the Committee to emphasise the present unsatisfactory position of the Indian export trade generally, for they know of course that it is fully realised by, and is indeed a matter of the gravest

anxiety to, the Government of India. But they do not understand how in these circumstances it is possible to justify the continued taxation of exported hides and skins. If it could be shown that the duty were benefiting any branch of trade there might be some justification for its continuance. But it is obviously of no advantage now to any trade or industry; and it is not imposed for revenue purposes. This being the position the committee have no hesitation in again urging their previous proposal, namely, that the duty should be abrogated without further delay. If the Government are not however, prepared to repeal it altogether, the Committee would propose its immediate suspension for a fixed period of two, or three years.

Letter No. 8933, 20th December 1920, from the Government of India, Department of Commerce, to the Association.

I am directed to acknowledge the receipt of your letter No. 157-H.S. dated the 10th December 1920. A reply will follow.

Letter dated 19th May 1920, from the Secretary, Burma Chamber of Commerce, Rangoon, to the Secretary to the Government of Burma, Maymyo.

I am directed to say that this Chamber strongly supports the memorial of Messrs. Fabricius & Co., Ld., Rangoon, praying for the re-examination of the effect of the export duty on hides on the export trade of Burma. According to the information before the Chamber, it is not merely the hides shippers who are suffering on account of the loss of their trade, which seems to be passing into the hands of foreign competitors, but also the large class of inland traders, who in many of the towns and villages of Burma, directly or indirectly gained a livelihood by keeping the Rangoon shippers supplied with hides for export. It certainly seem that, so far as the Burma hide trade is concerned, the export duty is working more harm than good; and, if this be so, this Chamber will be glad if the Local Government will move the Government of India to have the export duty on Burma hides reconsidered.

Extract from the Proceedings of a meeting of the Committee of the Karachi Chamber of Commerce held on the 30th June 1920.

* * * * *

Read as follows report of the Sub-Committee appointed under the Committee's Resolution No. 131 of 1st June 1920:—

1. On the introduction of the Bill in the Imperial Council in September 1919, the Hon'ble Member for Commerce and Industry explained that the object of the Bill was to protect the Indian tanneries started during the War, and for such hides and skins as they did not require to make certain they were tanned as far as possible within the Empire.

As to this we have to observe,—

(*a*) The Indian tanneries do not seem to have benefited as expected.

(*b*) The preference of 10% so far from helping Empire trade has proved a hindrance. The British trade is largely entrepot. The merchants concerned buy freely Plate, China, African and other sorts and can re-sell and re-ship them freely to the best buying markets, and only in the case of Indian sorts they are under Customs liability. This causes them to give an actual preference to "free" (*i.e.*, Non-Indian) sorts. So far, therefore, from the so-called "Preference" having helped Empire trade it stands in the way.

(*c*) The duty has fallen upon the producer, *i.e.*, the cultivator and herdsman, and the confusion caused by the export duty has probably cost them far more than the Customs have collected.

2. The Hon'ble Member also laid great stress on the world demand for Indian hides and skins. These observations were of course based on pre-war conditions, and we have to put forward the following points,—

(*a*) The world demand is only for the highest grades, which in India form a small proportion of the whole. The lower grades are and always have been difficult to market.

(*b*) The demand for Indian hides and skins is affected by several changes resulting from the War, *viz* :—

(*i*) The use of substitutes for leather;

(*ii*) The diminished purchasing power, not only of enemy but of allied countries as shown by their exchanges;

(*iii*) The unwillingness of English tanners to handle the average Indian hide and/or

skin. They consider only the highest grades of Indian sorts worth the present high cost of labour.

3. The Hon'ble Member also observed:—

"It is common knowledge that before the war the Indian Hides Trade was monopolised by the Germans." That was true only for Calcutta, utterly untrue of the Karachi trade, and it is impossible that the Germans should recover their monopoly at Calcutta having lost their shipping. The Germans had no monopoly of the skins trade anywhere.

4. We have already mentioned in 2 (*a*) and (*b*) III the difficulty there is in marketing the lower grades. Yet under the system adopted, these goods pay the same export duty as the higher grades, thus adding to the natural difficulties of the case.

5. The collection of duty is a cumbersome affair involving much extra clerical work, and is a genuine obstacle to business when prompt or immediate shipment is required. The bonds required for shipments to British ports are even more troublesome.

6. The idea of the duty as per I is to protect the Indian industry. Great labour is expended on the fleshing, stretching and preparation of "framed" hides. The essential difference between an ordinary and a framed hide lies in this labour. The higher export duty on the "framed" hide is, therefore, a tax on the labour expended. It is, in fact, a higher tax on a partly manufactured article. But if an export duty is leviable, we admit a higher schedule value for framed hides is unavoidable.

7. India has no monopoly in the supply of goat and sheep-skins. Under the duty it is an undoubted fact that she is finding greater difficulty to market her surplus production.

8. The bazar price for hides and skins necessarily has to cover the cost of their collection and transport. At the present prices ruling for the lower grades of hides and skins there is no incentive for the country folk to collect and market these. The result is a distinct economic loss.

9. The actual amount of duty payable depends on the schedule value. The duty on goat skins on the current depressed market works at 25 per cent. on the value of

the highest grades and much higher on the lower and lighter grades. At the same time it would add to shippers difficulties to be frequently changing the schedule values. The system of levying duty on skins per piece and on hides per lb. is also unsatisfactory.

10. If the object of the export duty is to support Indian tanneries, it can only be by reducing to them the cost of their raw material.

In the same way export duties on other agricultural products would support the related industries.

An export duty on raw cotton would make that commodity cheaper to India spinning and weaving mills, on wool would benefit woollen mills, on wheat as such (with flour free, would benefit Indian flour mills, on oil-seed (with oil and cake free) would benefit oil crushers, and so forth, but in every case the benefits to the industries would be at the expense of the producers, the cultivators.

It is quite evident that any such general scheme would benefit the industries only temporarily and in the long run prove detrimental, for the cultivators would always be on the lookout for producing that on which they were most likely to earn the world price clear of export duty, and be most unwilling to produce solely for Indian industrialists.

And Indian industrialists under such protection might very easily form a pool or consortium, and so take greater advantage of the cultivators by buying produce only on their own terms. The protection and security of the cultivator lies only in this, that he has the world market to sell in, a market too big to combine against him, and his security is lessened by every factor (export duties, uncertain exchanges, high freights) that cut him off from the world market.

The export duties in the case of Indian hides and skins are 15 per cent. preferential for Indian tanners, 10 per cent. preferential for tanners within the Empire, and are supposed to put all other tanners at an equivalent disadvantage.

The British Empire is very large and has escaped envy, except from Germany, owing to the way in which all nations at peace therewith were given opportunity to buy their requirements therein on equal terms. If the Empire begins a policy of withdrawing those equal terms

not only will envy develop, sowing the seeds of future wars, but retaliation at once becomes possible and justified. If the Empire, or any part of it, puts an export duty on a raw commodity largely bought by the U. S. A. why should not the U. S. A. put an export duty on raw commodities largely bought by the Empire, cotton and wheat? This becomes the more feasible when the world shortage of wheat and cotton are considered. The only objections would be those raised by the planters and farmers who would thus be a *tanto* cut off from world markets.

But there is no need to state possibilities. The example set by India has already found imitators, Nayassaland proposes an export duty on raw cotton and the Argentine is imposing export duties on grain. This way lies disaster and India gave the lead.

Quite apart from any other consideration and on principle, therefore, we think India at once ought to retire from an untenable position and cancel the duties forthwith.

The report is unanimous.

156. RESOLUTION.—The Committee concur with the recommendations of the Sub-Committee that export duties on hides and skins should be abolished. The Government of India to be addressed accordingly.

* *No. 77-H. S. dated Calcutta, the 7th May 1921, from the Calcutta Hides & Skins Shippers, Association, to the Government of India, Department of Commerce.*

* * * * *

Letter, dated Karachi, 23rd May 1921, from Punjab and Sindh Shippers, to the Government of India, Department of Commerce and Industry, Simla.

We, the undersigned dealers and shippers of Hides and Skins, working in Sindh and the Punjab, have the honour to say that we desire to record our support of the Calcutta Hides and Skins Shippers Association.

We wholly endorse the terms of the Calcutta letter No. 77-H-S., dated 7th May 1921.

We also desire to record that the speeches of Mr. E. L. Price, M. L.A. and Mr. Chowdri Shah-a-buddin, M. L. A., made in the Assembly on 18th March last accurately re-

* Already printed in this Report.

present the feelings of Sind and the Punjab on the necessity of cancelling the export duty at the earliest possible moment.

1	Khansahib Alijah Alidina Alimahiomed, 1st Class Honorary Magistrate	Karachi
2	Alijah Bandall Kassim, Honorary Magistrate	"
3	Muki Rahimtulla Lutfalli	"
4	Fuddoo Peroo Khalildina	"
5	Sabzalli Ramzanalli	"
6	Shaban Mohib...	"
7	Ahmeddin Illahibux	Lahore.
8	Sudderdin Mohamed Sidik	"
9	Amerdin Dostmohamed	"
10	Muneerdin & Co, ...	"
11	Amerdin Alladitta	"
12	Shekh Khudabux	"
13	H. Abdul Rahman Karam Illahi ...	"
14	Haji Mohamed Varas M. Ismail	"
15	Nizamdin M. Sharif Nabibux	"
16	Chakhdin Gulamhussain	"
17	Khizir Hyat Sodagardin	"
18	Fazaldin Mohamed Sayed	"
19	Pirmahamed Mohamedan	"
20	H. Pirmahomed & Sons	Amritsar.
21	H. Pirmahomed Sadrudin	"
22	H. Noor Hussian M. Ismail	"
23	Chrakhdin M. Ismail	"
24	Mohamed Sharif A. Rahman	"
25	Mohamed Hassan Allabux	"
26	Haji Kadarbux Molabux	"
27	Allajirea Dostmohamed	"
28	Shamasdin Meherbux	"
29	H. Gulamhusen Khudabux	"
30	H. Gulamhusen Noormahomed	"
31	S. Buda Dostmohamed	"
32	S. Allibux Inayutulla	"
33	Fatehmahomed D'mohamed	"
34	Nizamdin M. Sharif	"
35	Jhindas Khanmahomedbux	"
36	R. Budha Allimahomed	"
37	Mukhi Jamadin Inayutulla	"
38	Haji Gulsher Makamdin	Sukkur
39	Fazulkarim M. Syed	"
40	Fazuldin Mohamedin	"
41	Allahbux Nabibux	"
42	Haji Sultan M. Omerdin	"

43	Haji Goolsher Charakdin	Sukkur
44	Fazul Illahi	"
45	Abdul Majid M. Amin	"
46	Mohamed Sharif A. Rehman	"
47	Mohamed Ismail M. Ashrif	"
48	Jooma Subzalli	"
49	Karim Bundalli	Hyderabad.
50	Hood Shalloo	Karachi
51	Mahomedalli Bhaloo	"
53	Piroo Jiand	Hyderabad
53	Khoja Ismaila Trading Co.	Karachi

Letter No. 21.-E.-II., dated Karachi, 15th June 1921, from the Karachi Chamber of Commerce, to the Government of India, Department of Commerce, Simla.

I am directed by my Committee to address you on the above subject, and to state that this Chamber desires strongly to support the representation of the Calcutta Hides and Skins Shippers Association, made to you on May 7th, 1921, for the abolition of the export duty on hides and skins.

Calcutta, 13th July 1921.

No. 1448-186.

Chamber of Commerce,
Bombay, 25th July 1921.

The Secretary,
Bengal Chamber of Commerce,
Calcutta.

Dear Sir:—My Committee have received a communication from the Calcutta Hides and Skins Shippers' Association with regard to the proposed repeal of the export duty on hides and skins and they see from the correspondence that the Karachi and Burma Chamber support the proposal. They will be glad to know what the attitude of your chamber is in regard to this question, that is to say whether your Chamber is also in favour of its removal.—Yours faithfully,

C. B. SAYER,
Secretary

Similar letter to the Madras Chamber of Commerce.

Chamber of Commerce,
Madras, 13th August 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—I am directed to acknowledge the receipt of your letter No. 1448/186 of the 25th ultimo in regard to the proposed repeal of the Export Duty on Hides and Skins and to state that the subject is receiving the attention of the Chamber.

I am to request that you will kindly send the Chamber a copy of the communication you have received from the Calcutta Hides and Skins Shippers on the above subject for the information of members.—I remain etc.,

(Sd.) (*illegible*)
for Secretary.

No. 1590-186.

Chamber of Commerce,
Bombay, 17th August 1921.

The Secretary, Chamber of Commerce,
Madras.

Dear Sir,—As requested in your letter of the 13th instant, I am enclosing here with a copy of the communication received from the Calcutta Hides and Skins Shippers' Association in regard to the proposed repeal of the Export Duty on Hides and Skins.—Yours faithfully,

C. B. SAYER,
Secretary.

No. 1863-1921.

Bengal Chamber of Commerce,
Calcutta, 16th August 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—In reply to your letter dated 25th July, I am directed to say that this Chamber supported the imposition of the export duty on hides and skins in 1919, and that it has not so far modified its attitude on the subject.

Its views were last defined in a letter, dated 2nd June 1920 to the Calcutta Hides and Skins Shippers Association. In the course of this letter the Committee of the Chamber said :—

> The Committee, I am to say, fully appreciated the present difficult position of the export trade in raw hides; and they certainly do not overlook the great importance of this trade to the Bengal presidency. As regards the attitude taken up by the Chamber last year, they are not prepared at the moment to go farther than to say that they will have no objection to consider, *de novo*, the matter of the imposition of an export duty on raw hides and skins when the Fiscal Committee, which is being appointed by the Government of India, consults the Chamber on the fiscal question generally. And they will then invite your Association to discuss with them in detail the objections urged by the exporters of raw hides to the levy of a duty. In the meantime they will be glad to be favoured in due course with a copy of any reply that you may receive from the Government of India to your No. 70-H. S. dated 29th April 1920.—Yours faithfully,
>
> H. M. HAYWOOD,
> Secretary.

Chamber of Commerce,
Madras, 31st August 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—I am directed to acknowledge the receipt of your letter No. 1448/186 dated the 25th July, 1921, and No. 1590/186 dated 17th inst, with enclosures, in regard to the export duty on skins and hides.

In reply I am to state that the question was considered at the General Monthly Meeting of the Chamber held on the 30th instant when the following Resolution was passed:—

> "Resolved to inform the Bombay Chamber of Commerce that the Madras Chamber is against the removal of the Export Duty on Skins and Hides and sees no reason to alter its decision of a year ago when it addressed the Government of India strongly urging that

Government should declare its intentions to continue the levy of the export duty for at least for some years to come."

Further, I am to add that a special letter is being prepared fully explaining our views in the matter which will follow at an early date.—I remain, etc.,

H. E. H. SLADEN,
Secretary.

Chamber of Commerce,
Madras, 9th September 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—In reference to my letter dated the 31st August, 1921, regarding the Export Duty on Skins and Hides, I am directed to place before you the views of this Chamber which led to the adoption of the Resolution passed on the 30th August.

1. The memorandum of the Calcutta Hides and Skins Association appears to this Chamber to be full of special pleading and to ignore almost entirely the legitimate claims of tanners in India.

2. The Calcutta Hides and Skins Association has dwelt with great emphasis on the position of the Raw Hide Export Trade and they claim that there would be a marked improvement if the Export Duty were withdrawn.

3. This Chamber is of the opinion that the bad position of the Raw Skin and Hide Trade has been entirely due to the world wide slump in hides and leather, and that the export duty in itself, has had practically nothing to do with the stagnation of the Hides and Skins Export Trade from India.

4. The fact is the large accumulation of tanned hides in the hands of Government prevented British tanners taking any risks in the matter of tanning raw hides, while the heavy stocks of raw hides accumulated by Calcutta shippers and shipped unsold to Europe, tended further to accentuate the slump in trade due to adverse Exchange, labour troubles, etc.

5. As regards Raw Skins the same conditions applied up to the beginning of this year, by which time the accumulation of tanned skins had largely been absorbed and the export trade in raw skins revived, in spite of the

duty. It will be observed that the Calcutta Association in December last made the claim that the export duty on raw skins was checking business. They do not put forward the same claim to-day because the demand from foreign countries for raw skins developed very rapidly during the early months of this year and the export has been considerable, proving that when conditions of trade are suitable the export duty has little or no effect on the demand.

6. The Raw Hide trade has taken longer to recover from the trade depression but there is no doubt that the situation is improving and the demand has increased considerably in the last few weeks.

7. The statement made in December 1920 by the Association that the duty on the basis of fixed valuation was equivalent to 25 *per cent* to 30 *per cent* is quite incorrect to-day as on the present values it works out at about 6 *per cent* perhaps 7 *per cent* in some cases.

8. It is admitted that the export duties were imposed with a view firstly to assisting the tanning industry in India and secondly to benefit the tanning industry of the British Empire. In regard to the first, very large sums have been invested in India in the tanning industry mainly owing to the encouragement given by the Indian Government. Most of the concerns started after the war were faced with the widespread slump in trade before they had had time to establish themselves properly and have not been able to benefit by the help afforded by the export duty. Time is required to enable them to overcome initial difficulties and build up an export trade.

For the same reason tanners in England and other parts of the Empire have not yet really had an opportunity to develop their plans. There are signs however that conditions are now more favourable as within the last six months British tanners have begun to buy Indian Raw Skins on a large scale, and it is believed that the same is true of raw hides.

9. It is true that India has no monopoly of raw skins or hides but in spite of that the Indian Hides and Skins produce classes of leather which are not produced from Hides and Skins shipped from other countries, and will always be in demand within reasonable limit of price, notwithstanding the export duty.

10. The Calcutta Association advise that the views of their Association have completely changed in regard to

the export duty but this Chamber wishes to point out that whereas the great majority of firms composing the Association in 1919 represented purely British interests that is not the case to-day.

11. This Chamber feels that the conditions existing at the time support was given to the proposal to impose an export duty still exist and it seems probable that the beneficial effect of the duty can only be judged after a reasonable period of years under ordinary conditions.—I remain etc.,

H. E. H. SLADEN,
Secretary.

No. 1738-186

Chamber of Commerce,
Bombay, 20th September 1921.

The Secretary,
Calcutta Hides & Skins Shippers' Association,
Calcutta.

Dear Sir,—I am directed to acknowledge receipt of your letter, No. 126-H. S., dated the 9th-14th July 1921, and its accompaniments, on the subject of the Export duty on Hides and Skins.

2 In reply I am to state that my Committee have carefully reviewed their position in the light of the correspondence forwarded with your letter but that they desire still to adhere to their former views, the substance of which has been communicated to your Association by Mr. E. L. Price, M. L. A.

3 I am however to add that my Committee will bear your Association's contentions in mind when they are consulted by the Fiscal Commission on the fiscal question generally.—Yours faithfully,

C. B. SAYER,
Secretary.

No. 1739-186

Chamber of Commerce,
Bombay, 20th September 1921.

The Secretary, Chamber of Commerce,
Madras.

Dear Sir,— I am directed to acknowledge, with thanks, receipt of your letters of the 31st ultimo and the 9th

instant, respectively, on the subject of the Export duty on hides and skins and, in reply, to hand you the enclosed copy of a letter which my Committee have addressed to the Calcutta Hides and Skins Shippers' Association in reply to that Association's letter, No. 126-H-S, dated the 9th-14th July 1921.—Yours faithfully,

C. B. SAYER,
Secretary.

No. 1740.-186

Chamber of Commerce,
Bombay, 20th September 1921.

The Secretary,
Bengal Chamber of Commerce, Calcutta.

Dear Sir,—I am directed to acknowledge, with thanks, receipt of your letter No. 1863-1921, of the 16th ultimo on the subject of the export duty on hides and skins and, in reply, to hand you the enclosed copy of a letter which my Committee have addressed to the Calcutta Hides and Skins Shippers' Association in reply to that Association's letter, No. 126-H-S, dated the 9th-14th July 1921.—Yours faithfully,

C B. SAYER,
Secretary.

Chamber of Commerce,
Madras, 5th October 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—In continuation of my letter of the 9th ultimo, in regard to the proposal from the Calcutta Skin and Hide Merchants' Association to repeal the export duty on Raw Skins and Hides, I am directed to state that in support of the above Association's protest against the imposition of the export duty, a special point was made of the fact that the Leather Section of the London Chamber of Commerce protested against the levying of the export duty, but no mention was made of the very strong objection raised at the time by the Leather Trade to the protest of the Leather Section of the London Chamber. These objections to its action appear to have eventually caused the Section to realise that it did not

really voice the opinion of the Leather Trade and to attempt its own re-organisation. The enclosed cutting from the Leather World, throws some light upon the real value of the support on which Calcutta Association lays so much stress.—I remain, etc.

H. E. H. SLADEN,
Secretary.

Extract from the "Leather World"

A MORIBUND ORGANISATION.—A Writer in the "Export World" draws attention to the lack of interest taken in the Leather Section of the London Chamber of Commerce and states that although the membership totals 267, the attendance during the past three months has at no time exceeded half a dozen. He asks the pertinent question "Is the Leather Section useless"? As a matter of fact we have felt for years past that this organisation has served no useful purpose and that its solemn pronouncements do not deserve the prominence given them. Whether it would be possible to re-organise the Section seems an open question but an attempt is we hear to be made again in September. The position will then be thoroughly discussed as to whether members of the various leather trade organisations can be prevailed upon to meet to deal with trade questions or not.

It seems a pity that a Section which is connected with the great mercantile City of London and its Chamber of Commerce should be discontinued but we very much doubt whether it will be possible to put life into the dry bones of the London Chamber of Commerce Section.

No. 1876-186.

Chamber of Commerce,
Bombay, 10th October 1921.

The Secretary, Chamber of Commerce,
Madras.

Dear Sir,—I beg to acknowledge, with thanks, receipt of your letter of the 5th instant, and its accompaniment, with further regard to the question of the export duty on Hides and Skins. The point made in your letter will be borne in mind by my Committee when they have occasion next to discuss the question of the retention of the duty.—Yours faithfully,

C. B. SAYER,
Secretary.

No. 21. E. 12.

Chamber of Commerce,
Karachi, 29th August 1921.

The Secretary, Chamber of Commerce,
Bombay.

Export Duty on Hides and Skins.

Dear Sir,—I enclose herewith for the information of your Committee a copy of a Resolution which this Chamber purposes to move at the next Annual General Meeting of the Associated Chambers of Commerce of India and Ceylon.

My Committee trust that your Chamber will be able to see their way to support the resolution.—Yours faithfully,

ALAN DUGUID.
Secretary.

Draft Resolution submitted by the Karachi Chamber of Commerce to the Associated Chamber of Commerce of India and Ceylon for consideration at the next annual general meeting in January 1922.

RESOLUTION.

That in the opinion of this Association (the Associated Chamber of Commerce of India and Ceylon) the Export Duty on Hides and Skins should be immediately removed on the grounds that :—

(1) it has proved useless for the purposes for which it was imposed ;

(2) it is economically unsound;

(3) it has caused undeserved loss and suffering to all concerned, and particularly to those working in a small way in the trade in the villages throughout India.

No. 1737-186.

Chamber of Commerce.
Bombay, 20th September 1921.

The Secretary, Chamber of Commerce,
Karachi.

Dear Sir,—I am directed to acknowledge receipt of your letter, No. 21. E. 12, dated the 29th August 1921, and

its accompaniment, forwarding copy of a Resolution which your Chamber proposes to move at the next Annual General Meeting of the Associated Chambers and requesting the support of the representatives of this Chamber thereto.

2, In reply I am to state that my Committee regret that they are not in agreement with the terms of the resolution in question and, furthermore, that they are of opinion that a resolution of the nature in question should not be moved until the Fiscal Commission has concluded its deliberations.—Yours faithfully,

C. B. SAYER,
Secretary.

APPENDIX L-12.

TARIFF VALUATIONS.

Tariff Schedules for the three months January to March 1922.

Reprint of Schedules II and III of the Indian Tariff Act, VIII of 1894 (as subsequently amended), showing the rates of Customs duties levied on goods imported into, and exported from, British India.

SCHEDULE II—IMPORT TARIFF.

No.	Names of Articles	Per	Tariff Valuation	Duty
			R. A.	
	I.-Food, Drink and Tobacco			
	FISH.			
1	FISH, SALTED, wet or dry	Indian maund of 82$\frac{2}{7}$ lbs. avoirdupois weight	...	Such rate or rates of duty not exceeding twelve annas as the Governor-General in Council may, by notification in the *Gazette of India*, from time to time prescribe.*
2	FISHMAWS, including singally and sozille, and sharkfins	...	*Ad valorem*	11 per cent.
3	FISH, excluding salted fish (see No. 1) ...	...	...	11 „ „

	FRUITS AND VEGETABLES.			
4	FRUITS AND VEGETABLES, all sorts, fresh, dried, salted or preserved—			
	Almonds without shell	cwt.	75 0	11 per cent.
	„ in the shell	„	24 0	11 „ „
	„ (kágazi) Persian	„	125 0	11 „ „
	„ (kágazi) European, including half-hard round almonds.	„	40 0	11 „ „
	Cashew or cajoo kernels	„	28 0	11 „ „
	Cocoanuts, Straits and Dutch East Indies	thousand	120 0	11 „ „
	„ Maldives	„	40 0	11 „ „
	„ other	„	65 0	11 „ „
	„ kernel (khopra)	cwt.	24 0	11 „ „
	Currants	„	45 0	11 „ „
	Dates, dry, in bags	„	11 0	11 „ „
	„ wet „ baskets and bundles ...	„	9 0	11 „ „
	„ „ in pots, boxes, tins and crates.	„	12 0	11 „ „
	Figs, Persian, dried	„	16 0	11 „ „
	Garlic	„	10 0	11 „ „
	Pistachio nuts	„	100 0	11 „ „
	Raisins, Munakka, Persian Gulf... ...	„	15 0	11 „ „
	„ other sorts...		*Ad valorem*	11 „ „
	All other sorts of fruits and vegetables, fresh, dried, salted or preserved. ...	... ...	„	11 „ „

*The rate on 1st January 1922 and until further notice is annas 7½.

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	1—Food, Drink and Tobacco.—*contd.*		R. A.	
	GRAIN, PULSE AND FLOUR.			
5	GRAIN AND PULSE, all sorts, including broken grains and pulse, but excluding flour (see No. 6).*	...	*Ad valorem*	2½ per cent.
6	FLOUR*	...	"	11 " "
7	FODDER, Bran and Pollards...	...	"	2½ " "
	LIQUORS			R. A. P.
8	ALE, Beer, Porter, Cider and other fermented liquors	Imperial gallon or 6 quart bottles.	...	0 6 6
9	LIQUEURS, Cordials, Mixtures and other preparations containing spirit—			
	(*a*) Entered in such a manner as to indicate that the strength is not to be tested	"	...	25 0 0
	(*b*) If tested.	Imperial gallon or 6 quart bottles of the strength of London proof.	...	18 12 0 and the duty to be increased or reduced in proportion as the strength of the spirit exceeds or is less than London proof.

10	PERFUMED SPIRITS	Imperial gallon or 6 quart bottles.	...	30 0 0
11	SPIRIT, which has been rendered effectually and permanently unfit for human consumption...	...	*Ad valorem*	7½ per cent.
12	All other sorts of SPIRIT	Imperial gallon or 6 quart bottles of the strength of London proof.	...	R. A. P. 18 12 0 and the duty to be increased or reduced in proportion as the strength of the spirit exceeds or is less than London proof.
13	WINES—			R. A. P.
	Champagne and all other sparkling wines not containing more than 42 per cent. of proof spirit.	Imperial gallon or 6 quart bottles.	...	9 0 0
	All other sorts of wines not containing more than 42 per cent. of proof spirit.	"	...	4 8 0
	Provided that all sparkling and still wines containing more than 42 per cent. of proof spirit shall be liable to duty at the rate applicable to "All other sorts of Spirit."			
	PROVISIONS AND OILMAN'S STORES			
14	VINEGAR, in casks	...	*Ad valorem*	2½ per cent.

* Under Government of India Notification No. 5896, dated the 8th October 1921, grain, pulse and flour are exempt from import duty up to the 30th June 1922.

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	1—Food, Drink and Tobacco—*contd.*			
	PROVISIONS AND OILMAN'S STORES—*contd.*			
15	PROVISIONS, OILMAN'S STORES, AND GROCERIES, all sorts, excluding vinegar in casks (see No. 14)—			
	Butter	lb.	2 4	11 per cent.
	Cassava, Tapioca or Sago (whole) ...	cwt.	12 0	11 " "
	" " " (flour) ...	"	11 0	11 " "
	China preserves in syrup	box of six large or twelve small jars.	10 0	11 " "
	" " dry, candied ...	lb.	0 8	11 " "
	Chinese canned fruit	case of 4 doz.	17 0	11 " "
	Cocum	cwt.	10 0	11 " "
	Ghi	"	50 0	11 " "
	Saffron, pure	lb.	50 0	11 " "
	Vermicelli, flour, Chinese	cwt.	35 0	11 " "
	" peas "	"	37 0	11 " "
	" rice "	"	19 0	11 " "

	Vinegar not in casks	...	*Ad valorem*	11	„ „
	Yeast, Chinese	cwt.	30 0	11	„ „
	All other sorts of provisions, oilman's stores and groceries	...	*Ad valorem*	11	„ „
	SPICES.				
16	SPICES, all sorts—				
	Betelnuts, raw, whole, split, or sliced, also red whole from Goa.	cwt.	12 0	11	„ „
	Betelnuts, raw, whole, split, or sliced also red whole from Straits.	„	12 0	11	„ „
	Betelnuts, boiled, split or sliced ...	„	20 0	11	„ „
	„ whole, from Ceylon ...	„	15 0	11	„ „
	„ raw, split (sun-dried) from Ceylon	„	30 0	11	„ „
	„ all other sorts	...	*Ad valorem*	11	„ „
	Chillies, dry	cwt.	25 0	11	„ „
	Cloves	„	65 0	11	„ „
	„ exhausted	„	20 0	11	„ „
	„ stems and heads	„	9 0	11	„ „
	„ in seeds, narlavang	„	20 0	11	„ „
	Ginger, dry	„	30 0	11	„ „
	Mace	lb.	0 12	11	„ „
	Nutmegs	„	0 7	11	„ „
	„ in shell	„	0 4	11	„ „
	Pepper, black	cwt.	26 0	11	„ „
	„ white	„	60 0	11	„ „
	All other sorts of spices	...	*Ad valorem*	11	„ „

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	1—Food, Drink and Tobacco—*contd.*			
	SUGAR			
17	CONFECTIONERY	...	*Ad valorem*	20 per cent.
18	SUGAR, all sorts, including Molasses and Saccharine produce of all sorts, but excluding confectionery (see No. 17)—			
	Sugar, crystallised and soft, from Java, 23 Dutch standard and above.	cwt.	Rs. a. 26 4	15 " "
	" " " " from Java, 16 to 22 Dutch standard.	"	24 4	15 " "
	" " " " from Java 15 Dutch standard and under.	"	23 12	15 " "
	" " " " from Japan or Formosa	"	28 4	15 " "

	" " " " refined in China including Hong Kong.	"	28 4	15 " "
	" " " " from Egypt.	"	27 4	15 " "
	" " " " from Mauritius.	"	24 12	15 " "
	" " " " from Cuba	"	24 12	15 " "
	" " beet	"	26 4	15 " "
	Molasses from Java	"	4 0	15 " "
	" " other countries... ...	"	4 0	15 " "
	Sugar, all other sorts, including saccharine produce of all kinds.	...	*Ad valorem*	15 " "
	Sugar Candy	cwt.	Rs. a. 25 0	15 " "
	TEA.			
19	TEA—			
	Tea, black	lb.	0 12	11 per cent
	" green	"	0 14	11 " "
	OTHER FOOD AND DRINK.			
20	COFFEE...	cwt	36 0	11 per cent.
21	HOPS	...	...	Free.
22	SALT excluding Salt exempted under No. 23	Indian maund of 82⅔ lbs. avoirdupois weight	...	The rate at which excise duty is for the time being leviable on salt manufactured in the place where the import takes place*

* The rate of excise duty on 1st January 1922 aud until further notice is Rs. 1-4-0.

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	I.—Food, Drink and Tobacco.—*concld.*			
	OTHER FOOD AND DRINK—*contd.*			
23	SALT imported into British India and issued, in accordance with rules made with the previous sanction of the Governor-General in Council, for use in any process of manufacture ; also salt imported into the port of Calcutta and issued with the sanction of Government of Bengal to manufacturers of glazed stone-ware; also salt imported into any port in the provinces of Bengal and Bihar and Orissa and issued, in accordance with rules made with the previous sanction of the Governor-General in Council, for use in curing fish in those provinces.	...	...	Free
24	ALL OTHER SORTS OF FOOD AND DRINK not otherwise specified.	...	*Ad valorem*	11 per cent.

	TOBACCO.			Rs. a.
	TOBACCO, unmanufactured...	lb.	...	1 0
	CIGARS AND CIGARETTES	...	*Ad valorem*	75 per cent.
				Rs. a.
	All other sorts of TOBACCO, manufactured	lb.	...	2 4
	II—Raw materials and produce and articles mainly unmanufactured.			
	COAL, COKE AND PATENT FUEL			
28	COAL COKE AND PATENT FUEL	ton.	...	0 8
	GUMS, RESINS AND LAC.			
			Rs. a.	
29	GUMS, RESINS AND LAC, all sorts—			
	Gambier, block	cwt.	28 0	11 per cent.
	„ cube	„	28 0	11 „ „
	„ other sorts	...	*Ad valorem*	11 „ „
			Rs. a.	
	Gum Ammoniac	cwt.	30 0	11 „ „
	„ Arabic	„	22 0	11 „ „
	„ Banjamin, ras	„	28 0	11 „ „
	„ „ cowrie	„	65 0	11 „ „
	„ Bysabol (coarse myrrh)	„	45 0	11 „ „
	„ Olibanum or frankincense ...	„	15 0	11 „ „
	„ Persian (false)	„	15 0	11 „ „
	Myrrh...	„	45 0	11 „ „

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Name of Articles	Per	Tariff Valuation	Duty
	II—Raw materials and produce and articles mainly unmanufactured—*contd.*		Rs. a.	
	GUMS, RESINS AND LAC—*contd.*			
	Resin	cwt.	24 0	11 per cent.
	All other sorts of gums, gum-resins, and articles made of gum or gum-resin.	...	*Ad valorem*	11 " "
	HIDES AND SKINS, RAW.			
30	HIDES AND SKINS, raw or salted	...	...	Free.
	METALLIC ORES, AND SCRAP IRON OR STEEL FOR RE-MANUFACTURE.			
			Rs. a.	
31	IRON OR STEEL, old	cwt.	3 0	2½ per cent
32	METALLIC ORES, all sorts	...	...	Free
	OILS.			Rs. A. P.
33	PETROLEUM, including also naphtha and	Imperial	...	0 1 6

	the liquids commonly known by the names of rock-oil, Rangoon oil, Burma oil, kerosine, paraffin oil, mineral oil, petroline, gasoline, benzol, benzoline, benzine, and any inflammable liquid which is made from petroleum, coal, schist, shale, peat or any other bituminous substance, or from any products of petroleum, but excluding the following classes of petroleum.*	gallon		
34	Petroleum which has its flashing point at or above two hundred degrees of Fahrenheit's thermometer and is proved to the satisfaction of the Collector of Customs to be intended for use exclusively for the batching of jute or other fibre, or for lubricating purposes.	...	*Ad valorem*	7½ per cent
34*a*	Petroleum which has its flashing point at or above one hundred and fifty degrees of Fahrenheit's thermometer and is proved to the satisfaction of the Collector of Customs to be intended for use exclusively as fuel or for some sanitary or hygienic purpose—			
	(*i*) imported in bulk	ton.	Rs. a. 65 0	7½ " "
	(*ii*) otherwise imported	...	*Ad valorem*	7½ " "

* Motor spirit is liable to an additional duty of six annas per gallon under Act 11 of 1917 as amended by Act III of 1919.

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Name of Articles	Per	Tariff Valuation	Duty
	II—Raw materials and produce and articles mainly unmanufactured—*contd.*		Rs. a.	
	OILS—*contd.*			
35	All sorts of animal, essential, mineral, and vegetable non-essential OILS excluding petroleum as defined in Nos 33, 34 and 34a:—			
	Cocoanut oil...	cwt.	37 8	11 per cent.
	Linseed oil, raw and boiled	gallon	4 8	11 „ „
	All other sorts of oil	...	*Ad valorem*	11 „ „
	SEEDS			
36	OIL-SEEDS, imported into British India by sea from the territories of any Prince or Chief in India.	...	...	Free
37	SEEDS, all sorts, excluding oil-seeds specified in No. 36	...	*Ad valorem*	11 per cent.

	TALLOW, STEARINE AND WAX.		Rs. a.	
38	VEGETABLE WAX	cwt.	70 0	11 per cent.
38a	TALLOW AND STEARINE, including grease and animal fat, and WAX of all sorts, not otherwise specified.	...	*Ad valorem*	11 " "
	TEXTILE MATERIALS.			
39	COTTON, raw	...	...	Free
40	WOOL, raw	...	...	Free
41	TEXTILE MATERIALS, the following :—			
	Silk waste and raw silk including cocoons:—		Rs. a.	
	Bokhara	lb.	8 8	11 per cent.
	Floss	...	*Ad valorem*	11 " "
			Rs. a.	
	Raw silk—Yellow Shanghai, including re-reeled.	lb.	7 8	11 " "
	" from Indo-China, and places in China other than Shanghai including re-reeled.	"	10 0	11 " "
	Mathow	"	6 0	11 " "
	Panjam	"	4 8	11 " "
	Persian	"	6 0	11 " "
	Siam	"	8 0	11 " "
	White Shanghai, Thonkoon or Duppion	"	5 8	11 " "
	" " other kinds including re-reeled.	"	8 8	11 " "

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Name of Articles	Per	Tariff Valuation	Duty
	II—Raw materials and produce and articles mainly unmanufactured.—*contd.*		Rs. a.	
	TEXTILE MATERIALS.—*contd.*			
	Raw silk—White other kinds of China, including re-reeled.	lb.	10 8	11 per cent.
	Waste and Kachra	...	*Ad valorem*	11 " "
	All other sorts, including cocoons ...	...	"	11 " "
	Raw Flax, Hemp, Jute and all other unmanufactured textile materials not otherwise specified.	...	"	11 " "
	WOOD AND TIMBER.			
42	FIREWOOD	...	"	2½ " "
43	WOOD AND TIMBER, all sorts, not otherwise specified, including all sorts of ornamental wood.	...	"	11 " "
	MISCELLANEOUS.			
44	CANES AND RATTANS	...	"	11 " "
45	COWRIES AND SHELLS—		Rs. a.	
	Cowries, bazar, common	cwt.	7 8	11 " "

	„ yellow, superior quality ...	„	8 8	II „ „
	„ Maldive	„	11 0	II „ „
	„ Sankhli	„	135 0	II „ „
	Mother-of-pearl, nacre	„	20 0	II „ „
	Nakhla	„	135 0	II „ „
	Tortoise-shell	lb.	10 0	II „ „
	„ nakh	„	3 0	II „ „
	All other sorts, including articles made of shell, not otherwise described.	...	*Ad valorem*	II „ „
46	IVORY, unmanufactured—		Rs. a.	
	Elephants' grinders	cwt.	300 0	II „ „
	„ tusks (other than hollows, centres, and points), each exceeding 20 lbs. in weight, and hollows, centres, and points each weighing 10 lbs. and over.	„	950 0	II „ „
	Elephants' tusks (other than hollows, centres, and points), not less than 10 lb. and not exceeding 20 lbs. each, and hollows, centres, and points each weighing less than 10 lbs.	„	750 0	II „ „
	Elephants' tusks, each less than 10 lb. (other than hollows, centres, and points.)	„	400 0	II „ „
	Sea-cow or moye teeth, each not less than 4 lbs.	„	225 0	II „ „
	Sea-cow or moye teeth, each not less than 3 lbs. and under 4 lbs.	„	175 0	II „ „

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	II—Raw materials and produce and articles mainly unmanufactured—*concld.*		Rs. a.	
	MISCELLANEOUS.—*contd.*			
	Sea-cow or moye teeth, each less than 3 lbs.	cwt.	125 0	11 per cent.
	All other sorts unmanufactured not otherwise specified.	...	*Ad valorem*	11 „ „
47	MANURES, all sorts, including animal bones and the following chemical manures:—basic slag, nitrate of ammonia, nitrate of soda, muriate of potash, sulphate of ammonia, sulphate of potash, kainit salts, nitrate of lime, calcium cyanamide, mineral phosphates and mineral superphosphates.	...	...	Free
48	PRECIOUS STONES, unset and imported uncut, and Pearls, unset.	...	...	Free
49	PRECIOUS STONES, unset and imported cut.	...	*Ad valorem*	11 per cent.
50	PULP OF WOOD, RAGS and other paper-making materials.	...	...	Free
51	ALL OTHER RAW MATERIALS, and produce and articles mainly unmanufactured, not otherwise specified*.	...	*Ad valorem*	11 per cent.

	III—Articles wholly or mainly manufactured—*contd.*					
	APPAREL.					
52	APPAREL, including drapery, boots and shoes, and military and other uniforms and accoutrements, but excluding uniforms and accoutrements exempted from duty (No. 53) and gold and silver thread (Nos. 90 and 92) and articles made of silk (see No. 100).	...	*Ad valorem*	11	"	"
53	UNIFORMS AND ACCOUTREMENTS appertaining thereto, imported by a public servant for his personal use.	...	...	Free		
	ARMS, AMMUNITION AND MILITARY STORES.					
54	Subject to the exemptions specified in No. 57, ARMS, AMMUNITION AND MILITARY STORES, that is to say—			Rs.	a.	
	(1) Firearms other than pistols, including gas and air guns and rifles.	each	...	15	0	or 20 per cent. *ad valorem* whichever is higher.
	(2) Barrels for the same, whether single or double.	"	...	15	0	
	(3) Pistols, including automatic pistols and revolvers.	"	...	15	0	

* Under Government of India Notification No. 4317, dated 2nd July 1921, unmanufactured mica is exempt from payment of import duty.

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty	
	III.—Articles wholly or mainly manufactured—*contd.*				
	ARMS, AMMUNITION AND MILITARY STORES—*contd.*				
	(4) Barrels for the same, whether single or double.	Each	...	15 0	or 20 per cent *Ad-valorem* whichever is higher.
	(5) Main springs and magazine springs for firearms, including gas guns and rifles.	"	...	5 0	
	(6) Gun stocks and breech blocks.	"	...	3 0	
	(7) Revolver-cylinders, for each cartridge they will carry.	"	...	2 0	
	(8) Actions (including skeleton and waster), breech bolts and their heads, cocking pieces, and locks for muzzle-loading arms.	"	...	1 0	
	(9) Machines for making, loading or closing cartridges for rifled arms.	...	*Ad valorem*	20 per cent.	
	(10) Machines for capping cartridges for rifled arms.	...	"	20 " "	

55	GUNPOWDER for cannons, rifles, guns, pistols and sporting purposes.	...	*Ad valorem*	20 per cent.
56	Subject to the exemptions specified in No. 57 all ARTICLES, other than those specified in entry No. 54, which are ARMS OR PARTS OF ARMS within the meaning of the Indian Arms Act 1878 (excluding springs used for air-guns which are dutiable as hardware, under No. 71), all tools used for cleaning or putting together the same, all machines for making, loading, closing or capping cartridges for arms other than rifled arms and all other sorts of ammunition and military stores, and any articles which the Governor-General in Council may, by notification in the *Gazette of India*, declare to be ammunition or military stores for the purposes of this Act.	...	"	20 " "
57	The following ARMS, AMMUNITION AND MILITARY STORES :— (*a*) Articles falling under the 5th, 6th, 8th, 9th or 10th item of No. 54 when they appertain to a firearm falling under the 1st or 3rd item and are fitted into the same case with such firearm ;	...	...	Free

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd.*			
	ARMS, AMMUNITION AND MILITARY STORES—*contd.*			
	(*b*) Arms forming part of the regular equipment of a commissioned or gazetted officer in His Majesty's Service entitled to wear diplomatic, military, naval, Royal Air Force or police uniform;			
	(*c*) A revolver and an automatic pistol and ammunition for such revolver and pistol up to a maximum of 100 rounds per revolver or pistol, (*i*) when accompanying a commissioned officer of His Majesty's regular forces, or of the Indian Auxiliary Force or the Indian Territorial Force or a gazetted police officer, or (*ii*) certified by the commandant			

	of the corps to which such officer belongs, or, in the case of an officer not attached to any corps, by the officer commanding the station or district in which such officer is serving, or in the case of a police officer, by an Inspector-General or Commissioner of Police, to be imported by the officer for the purpose of his equipment; (*d*) Swords for presentation as army or volunteer prizes; (*e*) Arms, ammunition, and military stores imported with the sanction of the Government of India for the use of any portion of the military forces of a State in India which may be maintained and organized for Imperial Service; (*f*) Morris tubes and patent ammunition imported by officers commanding British and Indian regiments or volunteer corps for the instruction of their men.		
58	EXPLOSIVES, namely, blasting gunpowder, blasting gelatine, blasting dynamite, blasting roburite, blasting tonite, and all other sorts, including detonators and blasting fuse.	*Ad valorem*	11 per cent.

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd.*			
	CARRIAGES AND CARTS.			
59	CARRIAGES AND CARTS including jinrikshas, bath chairs, perambulators, trucks, wheel-barrows, and all other sorts of conveyances and component parts thereof not otherwise specified, including motor vans if imported with all their parts assembled and also including motor lorries and the following component part of motor lorries, namely:—Chassis, solid tyres, wheels, bodies, axles and gear boxes (*see* No. 60).	...	*Ad valorem*	11 per cent.
60	MOTOR-CARS, motor-cycles, motor-scooters, bicycles, and tricycles and parts and accessories thereof: provided that such parts or accessories as are ordinarily also used for other purposes shall be dutiable at the rate of duty specified for such articles.	...		20 per cent.

	CHEMICALS, DRUGS AND MEDICINES.			
61	ANTI-PLAGUE SERUM	...	...	Free
62	COPPERAS, green—		Rs. a.	
	(1) imported in bulk	cwt.	6 0	2½ per cent.
	(2) imported otherwise	...	*Ad valorem*	2½ "
				Rs. a.
63	OPIUM and its alkaloids, and their derivatives.	Seer of 80 tolas.	...	24 0
64	QUININE and other alkaloids of cinchona...	...	...	Free
65	CHEMICALS, DRUGS AND MEDICINES, all sorts not otherwise specified—		Rs. a.	
	Alkali, Indian (sajji-khar)	cwt.	4 0	11 per cent.
	Alum (lump)	"	13 8	11 "
	Arsenic (China mansil)	"	65 0	11 "
	" other sorts	...	*Ad valorem*	11 "
	Bleaching powder	cwt.	25 0	11 "
	Carbide of Calcium	"	28 0	11 "
	Carbonate of Ammonia	"	50 0	11 "
	Muriate of Ammonia	"	50 0	11 "
	Peppermint crystals	lb.	17 0	11 "
	Silicate of Soda	cwt.	14 0	11 "
	Soda ash including calcined natural soda and manufactured sesquicarbonates.	"	7 0	11 "
	Soda Bicarbonate	"	11 0	11 "

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd.*			
	CHEMICALS, DRUGS AND MEDICINES.—*contd.*		Rs. a.	
	Soda, caustic, solid	cwt.	21 0	11 per cent.
	" " flake	"	28 0	11 "
	" " powdered	"	29 0	11 "
	Soda crystals (in bulk)	"	10 0	11 "
	Sulphate of copper	"	22 8	11 "
	Sulphur (brimstone), flowers	"	11 0	11 "
	" " roll	"	13 0	11 "
	" " rough	"	10 0	11 "
	Trona or natural soda uncalcined ...	"	5 0	11
	All other sorts of chemical products and preparations not otherwise specified.	....	*Ad valorem*	11 "
	Aloe-wood...	...	"	11 "
			Rs. a.	
	Asafœtida (hing)...	cwt.	125 0	11 "
	" coarse (hingra)	"	50 0	11 "
	Atáry, Persian	...	*Ad valorem*	11 "

	Bánslochan (bamboo camphor) ...	lb.	0 9	11	"
	Calumba root	cwt.	10 0	11	"
	Camphor, refined, other than powder.	lb.	4 8	11	"
	Cassia lignea	cwt.	28 0	11	"
	China root (chobchini) rough	"	17 8	11	"
	" " " scraped ...	"	30 0	11	"
	Cubebs	"	175 0	11	"
	Galangal, China	"	12 8	11	"
	Salep	"	350 0	11	"
	Storax, liquid (rose mellos or salaras).	"	65 0	11	"
	All other sorts of drugs, medicines, and narcotics.	...	*Ad valorem*	11	"
	CUTLERY, HARDWARE, IMPLEMENTS AND INSTRUMENTS.				
66	The following AGRICULTURAL IMPLEMENTS, namely, winnowers, threshers, mowing, reaping and binding machines, elevators, seed-crushers, chaff-cutters, ensilage cutters, root-cutters, horse and bullock gears, ploughs, cultivators, scarifiers, harrows, clodcrushers, seed-drills, hay-teddres, and rakes; also component parts of these implements, provided that they can be readily fitted into their proper places in the implements for which they are imported, and that they cannot ordinarily be used for purposes unconnected with agriculture.	...	...	Free	

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd.*			
	CUTLERY, HARDWARE, IMPLEMENTS AND INSTRUMENTS.—*contd.*			
67	CLOCKS AND WATCHES, and parts thereof.	...	*Ad valorem*	20 per cent.
68	CUTLERY, excluding electroplated cutlery (*see* No. 70).	...	"	11 " "
69	The following DAIRY APPLIANCES, namely, cream separators, milk sterilizing or pasteurizing plant, milk aerating and cooling apparatus, churns, butter dryers, and butter workers; also component parts of these appliances provided that they can be readily fitted into their proper places in the appliances for which they are imported, and that they cannot ordinarily be used for other than dairy purposes.	...	...	Free
70	ELECTROPLATED WARE	...	*Ad valorem*	20 per cent.
71	HARDWARE, IRONMONGERY AND TOOLS, all sorts, not otherwise specified.	...	"	11 " "

72	INSTRUMENTS, APPARATUS, AND APPLIANCES, imported by a passenger as part of his personal baggage and in actual use by him in the exercise of his profession or calling.	...	...	Free
73	MUSICAL INSTRUMENTS.	...	*Ad valorem*	20 per cent.
74	TELEGRAPHIC INSTRUMENTS AND APPARATUS, and parts thereof, imported by or under the orders of a railway company.	...	"	2½ per cent.
75	WATER-LIFTS, SUGAR-MILLS, OIL-PRESSES, and parts thereof, when constructed so that they can be worked by manual or animal power.	...	...	Free
76	All other sorts of IMPLEMENTS, INSTRUMENTS, APPARATUS AND APPLIANCES, and parts thereof, not otherwise specified*.	...	*Ad valorem*	11 per cent.

*Under Government of India Notification No. 6362, dated the 5th November 1921, the following electrical instruments, apparatus and appliances are liable to duty at 2½ per cent. *ad valorem* :—

1. Switchboards imported complete or in parts provided that the Collectors of Customs is satisfied that they are for use on high pressure circuits.

   Explanation.—The expression "high pressure" has the meaning assigned to it in the Indian Electricity Rules, 1911.

2. Oil switches and oil circuit breakers.
3. Motor starters and controllers of all types with their accessories and resistances, provided that the Collector of Customs is satisfied that they are for use with machinery and not for motor vehicles, tramcars, lifts or the like.
4. Regulators and rheostats of all types with their accessories and resistances, except regulators for fans (other than induced or forced draft fans) and resistances intended for purposes other than the control of machinery.
5. Transformers, with their accessories or parts, static converters and static condensers of 3 K. V. A. capacity or over.

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured.—*contd.*			
	DYES AND COLOURS.			
77	DYEING AND TANNING SUBSTANCES, all sorts, and PAINTS AND COLOURS and painters' materials, all sorts—		Rs. a.	
	Alizarine dye, dry, not exceeding 40 per cent.	lb.	3 12	11 per cent.
	Alizarine dye, dry, over 40 per cent. but not exceeding 50 per cent.	"	4 4	11 " "
	Alizarine dye, dry, over 50 per cent. but not exceeding 60 per cent.	"	4 12	11 " "
	Alizarine dye, dry, over 60 per cent. but not exceeding 70 per cent.	"	5 4	11 " "
	Alizarine dye, dry, over 70 per cent. but not exceeding 80 per cent.	"	5 12	11 " "
	Alizarine dye, dry, over 80 per cent....	"	6 12	11 " "
	Alizarine dye, moist, not exceeding 10 per cent.	"	0 10	11 " "
	Alizarine dye, moist, over 10 per cent. and not exceeding 16 per cent.	"	1 0	11 " "

Alizarine dye, moist, over 16 per cent. and not exceeding 20 per cent.	"	1	4	II	" "
Alizarine dye, moist, exceeding 20 per cent.	"	2	0	II	" "
Aniline dye moist	"	4	0	II	" "
Aniline dyes, black, or sulphur series....	"	2	0	II	" "
Aniline dyes, congo red	"	3	0	II	" "
All other aniline dyes, dry	"	4	8	II	" "
Aniline salts	...	*Ad valorem*		II	" "
	cwt.	Rs.	a.		
Avar bark	lb.	4	8	II	" "
Cochineal	...	1	0	II	" "
Gallnuts (myrabolams)	cwt.	*Ad valorem*		II	" "
		Rs.	a.		
" Persian	lb.	40	0	II	" "
Gamboge	...	2	0	II	" "
All other sorts of dyeing and tanning materials		*Ad valorem*		II	" "
	cwt.	Rs.	a.		
Lead, red, dry	"	38	0	II	" "
" White dry	"	42	0	II	" "
Ochre, other than European, all colours...	Imperial	2	0	II	" "
Turpentine	gallon.	9	0	II	" "
Vermilion, Canton	box of 90 bundles.	235	0	II	" "
Zinc, white, dry	...	*Ad valorem*		II	" "
All other sorts of paints, colours and painters' materials not otherwise specified, including glue and putty.	...	"		II	" "

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd.*		Rs. a.	
	FURNITURE, CABINETWARE AND MANUFACTURES OF WOOD.			
78	FURNITURE, CABINETWARE, and all other manufactures of wood not otherwise specified.	...	*Ad valorem*	11 per cent.
	GLASSWARE AND EARTHENWARE.			
79	GLASS AND GLASSWARE, lacquered ware, earthenware, China and porcelain; all sorts, except glass bangles beads and false pearls and aerated water bottles (Codd's pattern) (*see* Nos. 79*a* and 80).	...	" "	11 " "
			Rs. a.	
79*a*	Aerated water bottles (Codd's pattern)—			
	8 ozs. and under	gross	55 0	11 " "
	Over 8 ozs.	"	65 0	11 " "

80	GLASS BANGLES AND BEADS AND FALSE PEARLS	...	*Ad valorem*	20 " "
	HIDES, SKINS AND LEATHER.			
81	HIDES AND SKINS not otherwise specified. LEATHER AND LEATHER MANUFACTURES, all sorts, not otherwise specified.	...	" "	11 " "
	MACHINERY.			
82	MACHINERY, namely, prime-movers and component parts thereof, including boilers and component parts thereof; also including locomotive and portable engines, steam-rollers, fire-engines, and other machines in which the prime-mover is not separable from the operative parts.	...	" "	2½ " "
	MACHINERY (and component parts thereof), meaning machines or sets of machines to be worked by electric, steam, water, fire or other power not being manual or animal labour or which, before being brought into use, require to be fixed with reference to other moving parts; and including belting of all materials for driving machinery.*	...	" "	2½ " "

* See footnote on previous page.

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd.*			
	MACHINERY—*contd.*			
	Provided that the term does not include tools and implements to be worked by manual or animal labour, and provided also that only such articles shall be admitted as component parts of machinery as are indispensable for the working of the machinery and are, owing to their shape or to other special quality, not adapted for any other purpose,			
	Note.—This entry includes machinery and component parts thereof made of substances other than metal.			
83	MACHINERY and component parts thereof, meaning machines or parts of machines to be worked by manual or animal labour, excluding those falling under items 66 and 69.	...	*Ad valorem*	11 per cent.

	METALS, IRON AND STEEL.		Rs. a.	
84	IRON—			
	ANGLE—			
	Angle and T, not fabricated, best Yorkshire or Swedish and similar qualities.	ton	300 0	2½ „ „
	Other kinds, if galvanised, tinned, or lead coated	„	300 0	2½ „ „
	Other kinds	„	250 0	2½ „ „
	Angle and T, fabricated	...	*Ad valorem*	2½ „ „
	BAR, ROD AND CHANNEL, including Channel for Carriages—		Rs. a.	
	Bar, Best Yorkshire and similar qualities.	ton	300 0	2½ „ „
	„ Swedish and charcoal and similar qualities.	„	250 0	2½ „ „
	„ Swedish and charcoal and similar nail-rod round rod, and square under ½ inch in diameter.	„	275 0	2½ „ „
	„ Swedish and charcoal, if galvanised, tinned, or lead coated.	...	*Ad valorem*	2½ „ „
			Rs. a.	
	„ other kinds	ton	200 0	2½ „ „
	„ „ „ nail-rod, round-rod and square under ½ inch in diameter.	„	250 0	2½ „ „
	„ „ „ if galvanized, tinned, or lead coated.	„	275 0	2½ „ „
	Channel, including channel for carriages	„	250 0	2½ „ „

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd.*			
	METALS, IRON AND STEEL—*contd.*	...	*Ad valorem*	2½ per cent.
	All other sorts		Rs. a.	
	PIG	ton	120 0	2½ „ „
	RICE BOWLS	cwt.	30 0	2½ „ „
85	IRON OR STEEL—			
	ANCHORS AND CABLES	...	*Ad valorem*	2½ „ „
	BEAMS, JOISTS, pillars, girders, screw-piles, bridge work and other such descriptions of iron or steel imported exclusively for building purposes; including also ridging, guttering and continuous roofing.	...	„	2½ „ „
	BOLTS and nuts, including hook bolts and nuts for roofing.	...	„	2½ „ „
	HOOPS AND STRIPS—		Rs. a.	
	Hoops, Best Yorkshire or Swedish and similar qualities	ton	370 0	2½ „ „
	„ other kinds	„	250 0	2½ „ „

" " " if galvanised, tinned, chequered, planished, lead coated or aluminium coated.	"	300 0	2½ " "
Strips, Best Yorkshire or Swedish and similar qualities.	"	370 0	2½ " "
" other kinds	"	250 0	2½ " "
" " " if galvanised, tinned chequered, planished, lead coated, or aluminium coated.	"	300 0	2½ " "
NAILS, RIVETS & WASHERS, all sorts—			
Nails, wire	cwt.	14 0	2½ " "
" rose, deck, and flat-headed ...	"	20 0	2½ " "
" other kinds, including galvanised, tinned or lead coated and panel pins.	"	35 0	2½ " "
Rivets, black	"	20 0	2½ " "
" other sorts	"	20 0	2½ " "
Washers, tinned or lead coated and dome-shaped, spring or locking washers	...	*Ad valorem*	2½ " "
		Rs. a.	
" other sorts	cwt.	20 0	2½ " "
PIPES AND TUBES, and fittings therefor, such as bends, boots, elbows, tees, sockets, flanges and the like.	...	*Ad valorem*	2½ " "
RAILS, CHAIRS, sleepers, bearing and fish plates, spikes (commonly known as dog spikes), switches, and crossings, other than those described in No. 96, also lever boxes, clips, and tie-bars.	...	"	2½ " "

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd.*			
	METALS, IRON AND STEEL—*contd.*			
	IRON OR STEEL—*contd*		Rs. a.	
	SHEETS AND PLATES, not fabricated, all sorts, excluding discs, circles and expanded metal sheets which are dutiable under No. 87—			
	Sheets and plates, Best Yorkshire and similar qualities.	ton	400 0	2½ per cent.
	" " Swedish and charcoal	"	350 0	2½ " "
	" " Swedish and charcoal, if galvanised, tinned, or lead coated.	"	400 0	2½ " "
	Sheets corrugated, galvanised or black up to and including 26 Gauge.	"	300 0	2½ " "
	" " galvanised or black above 26 Gauge.	"	375 0	2½ " "

	Sheet and plates cuttings	,,	200 0	2½ ,, ,,
	Tinplates	,,	400 0	2½ ,, ,,
	,, cuttings	...	*Ad valorem*	2½ ,, ,,
			Rs. a.	
	Sheets, other kinds, black, up to and including ½ inch thick.	ton	200 0	2½ ,, ,,
	Plates ,, ,, above ⅛ inch thicn	,,	180 0	2½ ,, ,,
	Sheets, other kinds, if galvanised, tinned, planished, lead coated, or aluminium coated, up to and including 26 Gauge, also chequered, and galvanised plates.	,,	375 0	2½ ,, ,,
	Sheets, other kinds, if galvanised, tinned, planished, lead coated or aluminium coated, above 26 Gauge.	,,	475 0	2½ ,, ,,
	Sheets and plates, fabricated, all sorts, excluding discs, circles and expanded metal sheets which are dutiable under No. 87.	...	*Ad valorem*	2½ ,, ,,
	WIRE, including piano-wire, fencing wire and wire rope, but excluding wire-netting (which is dutiable under No. 87)	...	,,	2½ ,, ,,
86	STEEL—		Rs. a.	
	ANGLE—			
	Angle and T, not fabricated, if galvanised, tinned, or lead coated.	ton	200 0	2½ ,, ,,

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured.—*contd.*			
	METALS, IRON AND STEEL—*contd.*			
			Rs. a.	
	STEEL—*contd.*			
	All other sorts	ton	160 0	2½ per cent.
	Angle and T, fabricated	...	*Ad valorem*	2½ „ „
	BAR, ROD AND CHANNEL, including channel for carriages—		Rs. a.	
	Bar, Swedish and similar qualities...	ton	250 0	2½ „ „
	„ common merchant	„	150 0	2½ „ „
	„ „ „ nail-rod, round-rod, and square, under ½ inch in diameter.	„	180 0	2½ „ „
	„ galvanized, tinned, planished, polished, or lead coated.	„	275 0	2½ „ „
	„ crucible, cast steel (tool steel) including— (*a*) High speed. (*b*) Carbon steel	...	*Ad valorem*	2½ „ „

	„ high tensile steel	...	„	2½ „ „
			Rs. a.	
	Channel, including channel for carriages	ton	180 0	2½ „ „
	Spring, blistered and tub steel (including bars)	...	*Ad valorem*	2½ „ „
	All other sorts...	...	„	2½ „ „
	INGOTS, BLOOMS, BILLETS AND SLABS	...	„	2½ „ „
87	All sorts of IRON AND STEEL and manufactures thereof, not otherwise specified—	...	„	2½ „ „
	Iron or steel cans or drums, when imported containing petroleum, which is separately assessed to duty under No. 33, namely:—			
			Rs. a.	
	Cans, tinned, of four gallons capacity	can	0 6	11 „ „
	Cans or drums, not tinned, of two gallons capacity—			
	(*a*) with faucet caps	can or drum	1 8	11 „ „
	(*b*) ordinary	„	0 4	11 „ „
	Drums of four gallons capacity—			
	(*a*) with faucet caps	drum	2 4	11 „ „
	(*b*) ordinary	„	2 0	11 „ „
	Iron or steel cans or drums, other sorts	...	*Ad valorem*	11 „ „
	Iron or steel, all other sorts, including discs or circles wire-netting and expanded metal sheets.	...	„	11 „ „

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd.*			
	METALS, OTHER THAN IRON AND STEEL.			
88	CURRENT NICKEL, BRONZE, AND COPPER COIN of the Government of India.	...	...	Free
89	GOLD AND SILVER BULLION AND COIN.	...	...	Free
90	GOLD PLATE, GOLD THREAD and wire and GOLD MANUFACTURES, all sorts.	...	*Ad valorem*	20 per cent.
91	LEAD, sheets, for tea-chests	...	"	2½ " "
92	SILVER PLATE, SILVER THREAD and wire, and SILVER MANUFACTURES, all sorts.	...	"	20 " "
93	ALL SORTS OF METALS OTHER THAN IRON AND STEEL, and manufactures thereof, not otherwise specified—		Rs. a.	
	Aluminium circles	lb.	1 6	11 " "
	" sheets	"	1 4	11 " "
	Brass, patent or yellow metal, sheets and sheathing, weighing 1 lb. or above per square foot, and braziers, and plates.	cwt.	72 0	11 " "

„	patent or yellow metal (including gun metal) ingots.	„	35 0	II	„ „
„	patent or yellow metal (old) ...	„	30 0	II	„ „
„	sheets, flat or in rolls, and sheathing, weighing less than 1 lb. per square foot.	...	*Ad valorem*	II	„ „
„	wire	...	„	II	„ „
„	all other sorts	...	„	II	„ „
Copper, bolt and bar, rolled		...	„	II	„ „
			Rs. a.		
„	braziers, sheets, plates and sheathing.	cwt.	80 0	II	„ „
„	sheets, planished	...	*Ad valorem*	II	„ „
„	nails and composition nails ...	...	„	II	„ „
„	old	cwt.	40 0	II	„ „
„	pigs, tiles, ingots, cakes, bricks, and slabs.	„	55 0	II	„ „
„	China, white, copperware... ...	lb.	4 0	II	„ „
„	foil or dankpana, white, 10 to 11 in. × 4 to 5 in.	hundred leaves.	4 0	II	„ „
„	foil or dankpana, coloured, 10 to 11 in. × 4 to 5 in.	„	5 0	II	„ „
„	wire including phosphor-bronze...	...	*Ad valorem*	II	„ „
„	all other sorts, unmanufactured and manufactured, except current coin of the Government of India, which is free.	...	„	II	„ „
German silver		...	„	II	„ „
Lead, pig		cwt.	20 0	II	„ „

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured.—*contd*			
	METALS, OTHER THAN IRON AND STEEL.—*contd.*			
	Lead, all sorts (except sheets for tea chests and pig)	...	*Ad valorem*	11 per cent.
			Rs. a.	
	Quicksilver	lb.	2 6	11 „ „
	Shot, bird	cwt.	40 0	11 „ „
	Tin, block	„	120 0	11 „ „
	„ foil, and other sorts	...	*Ad valorem*	11 „ „
			Rs. a.	
	Zinc or spelter, tiles, slabs or plates, hard or soft.	cwt.	28 0	11 „ „
	Zinc or spelter, all other sorts, including boiler tiles.	...	*Ad valorem*	11 „ „
	All other sorts of metals, and manufactures thereof.	...	„	11 „ „
	PAPER, PASTEBOARD AND STATIONERY.			
94	TRADE CATALOGUES AND ADVERTISING CIRCULARS imported by packet, book, or parcel post.	...	...	Free

95	PAPER AND ARTICLES MADE OF PAPER AND PAPIER MACHE, PASTEBOARD, MILL-BOARD, AND CARDBOARD all sorts, and STATIONERY, including ruled or printed forms and account and manuscript books, drawing and copy books, labels, advertising circulars, sheet or card almanacs and calendars, Christmas, Easter and other cards, including cards in booklet form; including also waste-paper and old newspapers for packing except old newspaper in bales; but excluding trade catalogues and advertising circulars imported by packet, book, or parcel post. (*See* No. 94.)	...	*Ad valorem*	11 per cent.
			Rs. a,	
	Old newspapers in bales	cwt.	10 0	11 " "
	RAILWAY PLANT AND ROLLING STOCK.			
96	RAILWAY MATERIAL for permanent-way and rollingstock, namely, cylinders, girders, and other material for bridges, rails, sleepers, bearing and fishplates, fish bolts, chairs, spikes, crossings, sleeper fastenings, switches, interlocking apparatus, brake gear couplings and springs, signals, turn-tables, weigh-bridges, engines, tenders, carriages, wagons,		*Ad valorem*	2½ " "

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd.*			
	RAILWAY PLANT AND ROLLING STOCK.—*contd.*			
	traversers, trollies, trucks, and component parts thereof; also the following articles when imported by or under the orders of a railway company, namely, cranes, water cranes, water tanks and standards, wire and other materials for fencing.			
	Provided that for the purpose of this entry "railway" means a line of railway subject to the provisions of the Indian Railways Act, 1890, and includes a railway constructed in a State in India and also such tramways as the Governor-General in Council may, by notification in the *Gazette of India*, specifically include therein.			

	Provided also that only such articles shall be admitted as component parts of railway material as are indispensable for the working of railways and are, owing to their shape or other special quality, not adapted for any other purpose.			
	YARNS AND TEXTILE FABRICS.			
97	COTTON TWIST AND YARN, and COTTON SEWING OR DARNING THREAD.	...	...	Free
98	COTTON, piece-goods, thread other than sewing or darning thread, and all other manufactured cotton goods not otherwise specified.	...	*Ad valorem*	11 per cent.
99	SECOND-HAND OR USED GUNNY BAGS made of jute...	...	...	Free
100	YARNS AND TEXTILE FABRICS, that is to say:—			
	Flax, twist and yarn and manufactures of flax	...	*Ad valorem*	11 per cent.
	Haberdashery and Millinery excluding articles made of silk.	...	"	11 " "
	Hemp manufactures	...	"	11 " "
	Hosiery excluding articles made of silk.	...	"	11 " "
	Jute twist and yarn and jute manufactures, excluding second-hand or used gunny bags (*see* No. 99.)	...	"	11 " "

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd,*			
	YARNS AND TEXTILE FABRICS—*contd.*		Rs. a.	
	Silk piece-goods (white or coloured plain or figured and all widths) and apparel, Japan and China (including Hongkong)— *Japan*—			
	Paj, Thama, Junken, and Nankin all kinds, including striped, printed, embossed and pineapples.	lb.	27 0	20 per cent.
	Satins and Kohaku, all kinds, including striped, printed woven and embossed	,,	32 0	20 ,, ,,
	Twill all kinds	,,	28 0	20 ,, ,,
	Jarina (gold embroidered)	,,	39 0	20 ,, ,,
	Fugi and Boseki, all kinds	,,	25 0	20 ,, ,,
	Fancies, printed and woven including georgettes, Kobe-crepes, crepe-de-chine (chirmin), ninons and gauzes	,,	38 0	20 ,, ,,
	Embroideries, all kinds, including apparel	,,	57 0	20 ,, ,,
	Apparel other than embroidered, in-	,,	42 0	20 ,, ,,

cluding shawls, dhuties, scarves, mufflers, handkerchiefs and hosiery.					
Dupettas and China Silk Patkas ...	"	25	0	20	" "
Burmese scarves—(*a*) Paj	"	30	0	20	" "
(*b*) Other kinds.	"	45	0	20	" "
Cotton and silk mixed satins embroidered	"	16	0	20	" "
Cotton and silk mixed satins, other kinds	"	11	0	20	" "
Cotton and silk mixed Hosiery ...	"	30	0	20	" "
Cotton and silk mixed Boseki, all kinds	"	9	0	20	" "
Silk Fents	"	16	0	20	" "
Other kinds including mixed apparel	...	*Ad valorem*		20	" "
China (including Hongkong)—		Rs.	a.		
Honans, all kinds, apparel and Patkas	lb	9	0	20	" "
Shantungs, all kinds, apparel & Patkas.	"	5	8	20	" "
Corded, all kinds, except Woochow...	"	8	0	20	" "
White cord (Woochow), all kinds ...	"	18	0	20	" "
Crepe, gauze, and paj, all kinds ...	"	23	0	20	" "
Satins and fancies, all kinds	"	32	0	20	" "
Other kinds	...	*Ad valorem*		20	" "
Silk piece-goods, other than Japan and China (including) Hong Kong and other manufactures of silk.	...	"		20	" "
Silk yarn, noils and warps, and silk thread	...	"		11	" "
Woollen yarn, knitting wool and other manufactures of wool including felt.	...	"		11	" "
All other sorts of yarns and textile fabrics, not otherwise specified.	...	"		11	" "

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd.*			
	MISCELLANEOUS.			
101	AEROPLANES, aeroplane parts, aeroplane engines and aeroplane engine parts.	...	*Ad valorem*	2½ per cent.
102	ART, the following works of :—(1) statuary and pictures intended to be put up for the public benefit in a public place, and (2) memorials of a public character intended to be put up in a public place, including the materials used or to be used in their construction, whether worked or not.	...	...	Free
103	ART, works of, excluding those specified in No. 102	...	*Ad valorem*	11 per cent,
104	BOOKS, printed, including covers for printed books, maps, charts, and plans, proofs, music and manuscripts.	...	...	Free
105	BRUSHES AND BROOMS	...	*Ad valorem*	11 per cent.
106	BUILDING AND ENGINEERING MATERIALS, including asphalt, bricks, cement other	...	"	11 " "

	than Portland cement, chalk and lime, clay other than China clay, pipes of earthenware, tiles and all other sorts of building and engineering materials not otherwise specified		Rs a.	
	China clay	ton	180 0	11 per cent
	Portland cement	cwt.	4 4	11 „ „
107	CANDLES	...	*Ad valorem*	11 „ „
108	CINEMATOGRAPH FILMS—		Rs. a.	
	Exposed standard positive films new or used	Foot	0 4	20 „ „
	Other films	...	*Ad valorem*	20 „ „
109	CORDAGE AND ROPE AND TWINE OF VEGETABLE FIBRE...	...	„	11 „ „
110	FIREWORKS	...	„	20 „ „
111	FURNITURE, TACKLE AND APPAREL, not otherwise described, for steam, sailing, rowing and other vessels...	...	„	11 „ „
112	IVORY, manufactured	...	„	20 „ „
113	JEWELLERY AND JEWELS	...	„	20 „ „
114	MATCHES :—			Rs. a.
	(1) In boxes containing not more than 100 matches.	Gross of boxes.	...	0 12
	(2) In boxes contaning more than 100 matches	For every 100 matches or fraction thereof in each box, per gross of boxes.	...	0 12

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd.*			
	MISCELLANEOUS—*contd.*			
115	MATS AND MATTING	...	*Ad valorem*	11 per cent.
116	OILCAKES	...	"	11 " "
117	OILCLOTH AND FLOOR CLOTH	...	"	11 " "
118	PACKING—ENGINE AND BOILER—all sorts, excluding packing forming a component part of any article included in No. 82 and No. 96...	...	"	11 " "
119	PERFUMERY, excluding perfumed spirits (*see* No. 10)—		Rs. a.	
	Gowla, husked and unhusked	cwt.	65 0	11 " "
	Kapurkachri (zedoary)	"	25 0	11 " "
	Patch leaves (patchouli)	"	35 0	11 " "
	Rose-flowers, dried...	"	25 0	11 " "
	Rose-water	Imperial gallon	5 0	11 " "
120	PITCH, TAR AND DAMMER, except Dammer Batu	...	*Ad valorem*	11 " "
			Rs. a.	
	Dammer Batu	cwt.	7 0	11 " "

121	PNEUMATIC RUBBER TYRES AND TUBES for motor cars, motor lorries, motor cycles, motor scooters, bicycles and tricycles	...	*Ad valorem*	20 " "
122	POLISHES AND COMPOSITIONS	...	"	11 " "
123	PRINTING AND LITHOGRAPHING MATERIAL, namely, presses, type, ink, aluminium lithographic plates, brassrules, composing sticks, chases, imposing tables, and lithographic stones, stereoblocks, wood blocks, half-tone blocks, electrotype blocks, roller moulds, roller frames and stocks, roller composition, standing screw and hot presses, perforating machines, goldblocking presses, galley presses, proof presses, arming presses, copper plate printing presses, ruling machines, ruling pen making machines, lead and rule cutters, type casting machines, type setting and casting machines, rule bending machines, rule mitreing machines, bronzing machines, leads, wooden and metal quoins, shooting sticks and galleys, stereotyping apparatus, metal furniture, paper folding machines, paging and numbering machines, and rolling presses, but excluding paper (*see* No. 95.)	...	"	2½ " "

SCHEDULE II—IMPORT TARIFF.—*concld.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III.—Articles wholly or mainly manufactured—*concld.*			
	MISCELLANEOUS—*contd.*			
124	PRINTS, ENGRAVINGS AND PICTURES, including photographs and picture post cards.	...	*Ad valorem*	20 per cent.
125	RACKS for the withering of tea leaf ...	...	"	2½ " "
126	RUBBER tyres and other manufactures of rubber, not otherwise specified (*see* No. 121)	...	"	11 " "
127	SHIPS AND OTHER VESSELS for inland and harbour navigation, including steamers, launches, boats and barges, imported entire or in sections.	...	"	2½ " "
128	SMOKERS' REQUISITES, excluding tobacco (*see* Nos. 25 to 27) and matches (No, 114)	...	"	20 " "
129	SOAP	...	"	11 " "

130	STARCH AND FARINA	...	"	11 " "
131	STONE AND MARBLE, and articles made of stone and marble.	...	"	11 " "
132	TEA-CHESTS of metal or wood, whether imported entire or in sections, provided that the Collector of Customs is satisfied that they are imported for the purpose of the packing of tea for transport in bulk.	...	"	2½ " "
133	TOILET REQUISITES, not otherwise specified.	...	"	11 " "
134	TOYS, games, playing cards and requisites for games and sports.	...	"	20 " "
135	UMBRELLAS, including parasols and sunshades, and fittings therefor.	...	"	11 " "
136	ALL OTHER ARTICLES wholly or mainly manufactured, not otherwise specified.	...	"	11 " "
	IV—Miscellaneous and unclassified.			
137	ANIMALS, living, all sorts	...	...	Free
138	CORAL	...	*Ad valorem*	11 per cent.
139	SPECIMENS illustrative of natural science, and medals and antique coins. .	...	...	Free
140	ALL OTHER ARTICLES NOT OTHERWISE SPECIFIED, including articles imported by post.	...	*Ad valorem*	11 per cent.

SCHEDULE III.—EXPORT TARIFF.

No.	Names of Articles	Per	Tariff Valuation	Rate of duty	
	JUTE OTHER THAN BIMLIPATAM JUTE.		Rs. a. p.	Rs.	a.
1	RAW JUTE—				
	(1) Cuttings	Bale of 400 lbs.	...	1	4
	(2) All other descriptions	" " 400 "	...	4	8
2	JUTE MANUFACTURES when not in actual use as coverings, receptacles or bindings for other goods—				
	(1) Sacking (cloth, bags, twist, yarn, rope and twine).	Ton of 2,240 lbs.	...	20	0
	(2) Hessians and all other descriptions of jute manufactures not otherwise specified.	Ton of 2,240 lbs.	...	32	0

	RICE.			
3	RICE, husked or unhusked, including rice flour, but excluding rice bran and rice dust, which are free.	Indian maund of $82\frac{2}{7}$, lbs. avoirdupois weight.	...	0 8
	TEA.			
4	TEA	100 lbs.	...	1 8
5	RAW HIDES AND SKINS IF EXPORTED FROM BURMA.			
	(1) ARSENICATED AND AIR-DRIED HIDES—			
	(a) Cows (including calf skins) ...	lb.	0 5 0	15 per cent.
	(b) Buffaloes (including calf skins)...	"	0 2 0	15 " "
	(2) DRY SALTED HIDES—			
	(a) Cows (including calf skins) ...	"	0 2 0	15 " "
	(b) Buffaloes (including calf skins)..	"	0 1 0	15 " "
	(3) WET SALTED HIDES—			
	(a) Cows (including calf skins) ...	"	0 2 0	15 " "
	(b) Buffaloes (including calf skins) ..	"	0 1 0	15 " "

SCHEDULE III—EXPORT TARIFF—*concld.*

No.	Names of Articles	Per	Tariff Vatuation	Duty
	RAW HIDES AND SKINS IF EXPORTED FROM BURMA—*contd.*		Rs. a. p.	
	(4) GOAT AND KID SKINS	Piece	1 0 0	15 per cent.
	(5) SHEEP SKINS	"	0 8 0	15 " "
6	RAW HIDES AND SKINS IF EXPORTED FROM ANY PLACE IN BRITISH INDIA OTHER THAN BURMA.			
	(1) ARSENICATED AND AIR DRIED HIDES—			
	(*a*) Cows (including calf skins) Framed .	lb.	0 6 0	15 " "
	(*a*) Cows (including calf skins) Unframed.	"	0 2 6	15 " "
	(*b*) Buffaloes (including calf skins) Framed .	"	0 2 6	15 " "
	(*b*) Buffaloes (including calf skins) Unframed.	"	0 1 6	15 " "
	(2) DRY SALTED HIDES—			
	(*a*) Cows (including calf skins) .	"	0 2 0	15 " "
	(*b*) Buffaloes (including calf skins) .	"	0 1 0	15 " "

(3) WET SALTED HIDES—			
(a) Cows (including calf skins)	"	0 2 0	15 " "
(b) Buffaloes (including calf skins)	"	0 1 0	15 " "
(4) GOAT AND KID SKINS	Piece	1 0 0	15 " "
(5) SHEEP SKINS	"	0 8 0	15 " "

N. B.—Provided that, subject to such conditions as the Governor General in Council may by notification in the *Gazette of India* prescribe, a rebate shall be granted to the exporter of two-thirds of the duty levied on hides or skins exported to any part of His Majesty's dominions or of the territories of any Indian Prince or Chief under the suzerainty of His Majesty or of any territories under the protection of His Majesty or in respect of which a mandate of the League of Nations is exercised by the Government of any part of His Majesty's dominions.

Tariff Schedules for the nine months April to December 1922.

Reprint of Schedules II and III of the Indian Tariff Act, VIII of 1894 (as subsequently amended), showing the rates of Customs duties levied on goods imported into, and exported from, British India.

SCHEDULE II—IMPORT TARIFF.

NOTE.—In the expression "*ad valorem*" used in this schedule the reference is to "real value" as defined in section 30 of the Sea Customs Act, 1878 (VIII of 1878).

No.	Names of Articles	Per	Tariff Valuation	Duty
	I.-Food, Drink and Tobacco		R. A.	
	FISH.			
1	FISH, SALTED, wet or dry	Indian maund of $82\frac{2}{7}$ lbs. avoirdupois weight	...	Such rate or rates of duty not exceeding one rupee as the Governor-General in Council may, by notification in the *Gazette of India*, from time to time prescribe.*
2	FISHMAWS, including singally and sozille, and sharkfins	...	*Ad valorem*	15 per cent.
3	FISH, excluding salted fish (see No. 1) ...	...	"	15 " "

	FRUITS AND VEGETABLES.			
4	FRUITS AND VEGETABLES, all sorts, fresh, dried, salted or preserved—			
	Almonds without shell	cwt.	75 0	15 per cent.
	„ in the shell	„	24 0	15 „ „
	„ (kágazi) Persian	„	125 0	15 „ „
	„ (kágazi) European, including half-hard round almonds.	„	40 0	15 „ „
	Cashew or cajoo kernels	„	28 0	15 „ „
	Cocoanuts, Straits and Dutch East Indies	thousand	120 0	15 „ „
	„ Maldives	„	40 0	15 „ „
	„ other	„	65 0	15 „ „
	„ kernel (khopra)	cwt.	24 0	15 „ „
	Currants	„	45 0	15 „ „
	Dates, dry, in bags	„	11 0	15 „ „
	„ wet „ baskets and bundles ...	„	9 0	15 „ „
	„ „ in pots, boxes, tins and crates.	„	12 0	15 „ „
	Figs, Persian, dried	„	16 0	15 „ „
	Garlic	„	10 0	15 „ „
	Pistachio nuts	„	100 0	15 „ „
	Raisins, Munakka, Persian Gulf... ...	„	15 0	15 „ „
	„ other sorts...		*Ad valorem*	15 „ „
	All other sorts of fruits and vegetables, fresh, dried, salted or preserved. ...	...	„	15 „ „

*The rate on 1st April 1922 and until further notice is annas 7½.

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	1—Food, Drink and Tobacco.—*contd.*			
	GRAIN, PULSE AND FLOUR.			
5	GRAIN AND PULSE, all sorts, including broken grains and pulse, but excluding flour (see No. 6).*	...	*Ad valorem*	2½ per cent.
6	FLOUR*	...	"	15 " "
	LIQUORS			Rs. A.
7	ALE, Beer, Porter, Cider and other fermented liquors	Imperial gallon or 6 quart bottles.	...	0 8
8	LIQUEURS, Cordials, Mixtures and other preparations containing spirit—			
	(*a*) Entered in such a manner as to indicate that the strength is not to be tested	"	...	30 0
	(*b*) If tested, ...	Imperial gallon or 6 quart bottles of the strength of London proof.	...	21 14 and the duty to be increased or reduced in proportion as the strength of the spirit exceeds or is less than London proof.

9	PERFUMED SPIRITS	Imperial gallon or 6 quart bottles.	...	36 0
10	SPIRIT, which has been rendered effectually and permanently unfit for human consumption...	...	*Ad valorem*	$7\frac{1}{2}$ per cent.
11	All other sorts of SPIRIT	Imperial gallon or 6 quart bottles of the strength of London proof.	...	Rs. A. 21 14 and the duty to be increased or reduced in proportion as the strength of the spirit exceeds or is less than London proof.
12	WINES—			Rs. A.
	Champagne and all other sparkling wines not containing more than 42 per cent. of proof spirit.	Imperial gallon or 6 quart bottles.	...	9 0
	All other sorts of wines not containing more than 42 per cent. of proof spirit.	"	...	4 8
	Provided that all sparkling and still wines containing more than 42 per cent. of proof spirit shall be liable to duty at the rate applicable to "All other sorts of Spirit."			
	PROVISIONS AND OILMAN'S STORES			
13	VINEGAR, in casks	...	*Ad valorem*	$2\frac{1}{2}$ per cent.

* Under Government of India Notification No. 5896, dated the 8th October 1921, grain, pulse and flour are exempt from import duty up to the 30th June 1922.

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	1—Food, Drink and Tobacco—*contd.*			
	PROVISIONS AND OILMAN'S STORES—*contd.*			
14	PROVISIONS, OILMAN'S STORES, AND GROCERIES, all sorts, excluding vinegar in casks (see No. 13)—			
	Butter	lb.	2 4	15 per cent.
	Cassava, Tapioca or Sago (whole) ...	cwt.	12 0	15 " "
	" " " (flour) ...	"	11 0	15 " "
	China preserves in syrup	box of six large or twelve small jars.	10 0	15 " "
	" " dry, candied ...	lb.	0 8	15 " "
	Chinese canned fruit	case of 4 doz.	17 0	15 " "
	Cocum	cwt.	10 0	15 " "
	Ghi	"	50 0	15 " "
	Saffron, pure	lb.	50 0	15 " "
	Vermicelli, flour, Chinese	cwt.	35 0	15 " "
	" peas "	"	37 0	15 " "
	" rice "	"	19 0	15 " "

	Vinegar not in casks	...	*Ad valorem*	15	„ „
			Rs. a.		
	Yeast, Chinese	cwt.	30 0	15	„ „
	All other sorts of provisions, oilman's stores and groceries	...	*Ad valorem*	15	„ „
	SPICES.				
15	SPICES, all sorts—		Rs. a.		
	Betelnuts, raw, whole, split, or sliced, also red whole from Goa.	cwt.	12 0	15	„ „
	Betelnuts, raw, whole, split, or sliced also red whole from Straits.	„	12 0	15	„ „
	Betelnuts, boiled, split or sliced ...	„	20 0	15	„ „
	„ whole, from Ceylon ...	„	15 0	15	„ „
	„ raw, split (sun-dried) from Ceylon	„	30 0	15	„ „
	„ all other sorts	...	*Ad valorem*	15	„ „
			Rs. a.		
	Chillies, dry	cwt.	25 0	15	„ „
	Cloves	„	65 0	15	„ „
	„ exhausted	„	20 0	15	„ „
	„ stems and heads	„	9 0	15	„ „
	„ in seeds, narlavang	„	20 0	15	„ „
	Ginger, dry	„	30 0	15	„ „
	Mace	lb.	0 12	15	„ „
	Nutmegs	„	0 7	15	„ „
	„ in shell	„	0 4	15	„ „
	Pepper, black	cwt.	26 0	15	„ „
	„ white	„	60 0	15	„ „
	All other sorts of spices	...	*Ad valorem*	15	„ „

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	1—Food, Drink and Tobacco—*contd.*			
	SUGAR			
16	CONFECTIONERY	...	*Ad valorem*	30 per cent.
17	SUGAR, all sorts, including Molasses and Saccharine produce of all sorts, but excluding confectionery (see No. 16)—			
	Sugar, crystallised and soft, from Java, 23 Dutch standard and above.	cwt.	Rs. a. 26 4	25 " "
	" " " " from Java, 16 to 22 Dutch standard.	"	24 4	25 " "
	" " " " from Java 15 Dutch standard and under.	"	23 12	25 " "
	" " " " from Japan or Formosa	"	28 4	25 " "

	" " " " refined in China including Hong Kong.	"	28 4	25 " "
	" " " " from Egypt.	"	27 4	25 " "
	" " " " from Mauritius.	"	24 12	25 " "
	" " " " cane from other countries.	"	24 12	25 " "
	" " beet	"	26 4	25 " "
	Molasses from Java	"	4 0	25 " "
	" " other countries... ...	"	4 0	25 " "
	Sugar, all other sorts, including saccharine produce of all kinds.	...	*Ad valorem* Rs. a.	25 " "
	Sugar Candy	cwt.	25 0	25 " "
	TEA.			
18	TEA—			
	Tea, black	lb.	0 12	15 per cent
	" green	"	0 14	15 " "
	OTHER FOOD AND DRINK.			
19	COFFEE...	cwt	36 0	15 per cent.
20	HOPS	...	...	Free.
21	SALT excluding Salt exempted under No. 22	Indian maund of 82$\frac{2}{7}$ lbs. avoirdupois weight	...	The rate at which excise duty is for the time being leviable on salt manufactured in the place where the import takes place*

* The rate of excise duty on 1st April 1922 aud until further notice is Rs. 1-4-0.

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	I.—Food, Drink and Tobacco.—*concld.*			
	OTHER FOOD AND DRINK—*contd.*			
22	SALT imported into British India and issued, in accordance with rules made with the previous sanction of the Governor-General in Council, for use in any process of manufacture; also salt imported into the port of Calcutta and issued with the sanction of the Government of Bengal to manufacturers of glazed stone-ware; also salt imported into any port in the provinces of Bengal and Bihar and Orissa and issued, in accordance with rules made with the previous sanction of the Governor-General in Council, for use in curing fish in those provinces.	...	...	Free
23	ALL OTHER SORTS OF FOOD AND DRINK not otherwise specified.	...	*Ad valorem*	15 per cent.

	TOBACCO.			Rs. a.
24	TOBACCO, unmanufactured...	lb.	...	1 0
25	CIGARS AND CIGARETTES	...	*Ad valorem*	75 per cent.
				Rs. a.
26	All other sorts of TOBACCO, manufactured	lb.	...	2 4
	II—Raw materials and produce and articles mainly unmanufactured.			
	COAL, COKE AND PATENT FUEL			
27	COAL, COKE AND PATENT FUEL	ton.	...	0 8
	GUMS, RESINS AND LAC.			
			Rs. a.	
28	GUMS, RESINS AND LAC, all sorts—			
	Gambier, block	cwt.	28 0	15 per cent.
	„ cube	„	28 0	1 „ „
	„ other sorts	...	*Ad valorem*	1 „ „
			Rs. a.	
	Gum Ammoniac	cwt.	30 0	15 „ „
	„ Arabic	„	22 0	15 „ „
	„ Banjamin, ras	„	28 0	15 „ „
	„ „ cowrie	„	65 0	15 „ „
	„ Bysabol (coarse myrrh)	„	45 0	15 „ „
	„ Olibanum or frankincense ...	„	15 0	15 „ „
	„ Persian (false)	„	15 0	15 „ „
	Myrrh...	„	45 0	15 „ „

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Name of Articles	Per	Tariff Valuation	Duty
	II—Raw materials and produce and articles mainly unmanufactured—*contd.*		Rs. a.	
	GUMS, RESINS AND LAC—*contd.*			
	Rosin	cwt.	24 0	15 per cent.
	All other sorts of gums, gum-resins, and articles made of gum or gum-resin.	...	*Ad valorem*	1 " "
	HIDES AND SKINS, RAW.			
29	HIDES AND SKINS, raw or salted	...	...	Free
	METALLIC ORES, AND SCRAP IRON OR STEEL FOR RE-MANUFACTURE.		Rs. a.	
30	IRON OR STEEL, old	cwt.	3 0	10 per cent
31	METALLIC ORES, all sorts	...	...	Free

	OILS.			Rs. A. P.
32	KEROSENE and MOTOR SPIRIT; also any mineral oil other than kerosene and motor spirit which has its flashing point below one hundred degrees of Fahrenheit's thermometer by Abel's close test.*	Imperial gallon	...	0 2 6
33	MINERAL OIL which has its flashing point at or above two hundred degrees of Fahrenheit's thermometer and is such as is not ordinarily used for any other purpose than for the batching of jute or other fibre, or for lubrication, and mineral oil which has its flashing point at or above one hundred and fifty degrees of Fahrenheit's thermometer and is such as is not ordinarily used except as fuel or for some sanitary or hygienic purpose—			
	(*i*) imported in bulk	ton.	Rs. a. 65 0	$7\frac{1}{2}$ per cent.
	(*ii*) otherwise imported	...	*Ad valorem*	$7\frac{1}{2}$ " "

* Motor spirit is liable to an additional duty of six annas per gallon under Act II of 1917 as amended by Act III of 1919.

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Name of Articles	Per	Tariff Valuation	Duty
	II—Raw materials and produce and articles mainly unmanufactured—*contd.*		Rs. a.	
	OILS—*contd.*			
34	All sorts of animal, essential, mineral, and vegetable non-essential OILS not otherwise specified. (See Nos 32 and 33):—			
	Cocoanut oil...	cwt.	37 8	15 per cent.
	Linseed oil, raw and boiled	gallon	4 8	15 „ „
	All other sorts of oil	...	*Ad valorem*	15 „ „
	SEEDS.			
35	OIL-SEEDS, imported into British India by sea from the territories of any Prince or Chief in India.	...	...	Free
36	SEEDS, all sorts, excluding oil-seeds specified in No. 35	...	*Ad valorem*	15 per cent.

	TALLOW, STEARINE AND WAX.			
37	VEGETABLE WAX	cwt.	Rs. a. 70 0	15 per cent.
37a	TALLOW AND STEARINE, including grease and animal fat, and WAX of all sorts, not otherwise specified.	...	*Ad valorem*	15 " "
	TEXTILE MATERIALS.			
38	COTTON, raw	...	...	Free
39	WOOL, raw	...	...	Free
40	TEXTILE MATERIALS, the following :—			
	Silk waste and raw silk including cocoons:—			
	Bokhara	lb.	Rs. a. 8 8	15 per cent.
	Floss	...	*Ad valorem*	15 " "
	Raw silk—Yellow Shanghai, including re-reeled.	lb.	Rs. a. 7 8	15 " "
	" from Indo-China, and places in China other than Shanghai including re-reeled.	"	10 0	15 " "
	Mathow	"	6 0	15 " "
	Panjam	"	4 8	15 " "
	Persian	"	6 0	15 " "
	Siam	"	8 0	15 " "
	White Shanghai, Thonkoon or Duppion	"	5 8	15 " "
	" " other kinds including re-reeled.	"	8 8	15 " "

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Name of Articles	Per	Tariff Valuation	Duty
	II—Raw materials and produce and articles mainly unmanufactured.—*contd.*		Rs. a.	
	TEXTILE MATERIALS.—*contd.*			
	Raw silk—White other kinds of China, including re-reeled.	lb.	10 8	15 per cent.
	Waste and Kachra	...	*Ad valorem*	15 " "
	All other sorts, including cocoons ...	...	"	15 " "
	Raw Flax, Hemp, Jute and all other unmanufactured textile materials not otherwise specified.	...	"	15 " "
	WOOD AND TIMBER.			
41	FIREWOOD	...	"	2½ " "
42	WOOD AND TIMBER, all sorts, not otherwise specified, including all sorts of ornamental wood.	...	"	15 " "
	MISCELLANEOUS.			
43	CANES AND RATTANS	...	"	15 " "
44	COWRIES AND SHELLS—		Rs. a.	
	Cowries, bazar, common	cwt.	7 8	15 " "

	„ yellow, superior quality* ...	„	8 8	15 „ „
	„ Maldive	„	11 0	15 „ „
	„ Sankhli	„	135 0	15 „ „
	Mother-of-pearl, nacre	„	20 0	15 „ „
	Nakhla	„	135 0	15 „ „
	Tortoise-shell	lb.	10 0	15 „ „
	„ nakh	„	3 0	15 „ „
	All other sorts, including articles made of shell, not otherwise described.	...	*Ad valorem*	15 „ „
45	IVORY, unmanufactured—		Rs. a.	
	Elephants' grinders	cwt.	300 0	15 „ „
	„ tusks (other than hollows, centres, and points), each exceeding 20 lbs. in weight, and hollows, centres, and points each weighing 10 lbs. and over.	„	950 0	15 „ „
	Elephants' tusks (other than hollows, centres, and points), not less than 10 lb. and not exceeding 20 lbs. each, and hollows, centres, and points each weighing less than 10 lbs.	„	750 0	15 „ „
	Elephants' tusks, each less than 10 lb. (other than hollows, centres, and points.)	„	400 0	15 „ „
	Sea-cow or moye teeth, each not less than 4 lbs.	„	225 0	15 „ „
	Sea-cow or moye teeth, each not less than 3 lbs. and under 4 lbs.	„	175 0	15 „ „

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	II—Raw materials and produce and articles mainly unmanufactured—*concld.*		Rs. a.	
	MISCELLANEOUS.—*contd.*			
	Sea-cow or moye teeth, each less than 3 lbs.	cwt.	125 0	15 per cent.
	All other sorts unmanufactured not otherwise specified.	...	*Ad valorem*	15 „ „
46	MANURES, all sorts, including animal bones and the following chemical manures:—basic slag, nitrate of ammonia, nitrate of soda, muriate of potash, sulphate of ammonia, sulphate of potash, kainit salts, nitrate of lime, calcium cyanamide, mineral phosphates and mineral superphosphates.	...	...	Free
47	PRECIOUS STONES, unset and imported uncut, and Pearls, unset.	...	...	Free
48	PRECIOUS STONES, unset and imported cut.	...	*Ad valorem*	15 per cent.
49	PULP OF WOOD, RAGS and other paper-making materials.	...	...	Free
50	ALL OTHER RAW MATERIALS, and produce and articles mainly unmanufactured, not otherwise specified*.	...	*Ad valorem*	15 per cent.

	III—Articles wholly or mainly manufactured.				
	APPAREL.				
51	APPAREL, including drapery, boots and shoes, and military and other uniforms and accoutrements, but excluding uniforms and accoutrements exempted from duty (No. 52) and gold and silver thread (Nos. 89 and 90) and articles made of silk (see No. 100).	...	*Ad valorem*	15 „ „	
52	UNIFORMS AND ACCOUTREMENTS appertaining thereto, imported by a public servant for his personal use.	...	...	Free	
	ARMS, AMMUNITION AND MILITARY STORES.				
53	Subject to the exemptions specified in No. 56, ARMS, AMMUNITION AND MILITARY STORES, that is to say—			Rs. a.	
	(1) Firearms other than pistols, including gas and air guns and rifles.	each	...	15 0	or 30 per cent. *ad valorem* whichever is higher.
	(2) Barrels for the same, whether single or double.	„	...	15 0	
	(3) Pistols, including automatic pistols and revolvers.	„	...	15 0	

* Under Government of India Notification No. 4317, dated 2nd July 1921, unmanufactured mica is exempt from payment of import duty.

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty	
	III.—Articles wholly or mainly manufactured—*contd.*				
	ARMS, AMMUNITION AND MILITARY STORES—*contd.*				
	(4) Barrels for the same, whether single or double.	each	...	15 0	or 30 per cent *Ad-valorem* whichever is higher.
	(5) Main springs and magazine springs for firearms, including gas-guns and rifles.	"	...	5 0	
	(6) Gun stocks and breech blocks.	"	...	3 0	
	(7) Revolver-cylinders, for each cartridge they will carry.	"	...	2 0	
	(8) Actions (including skeleton and waster), breech bolts and their heads, cocking pieces, and locks for muzzle-loading arms.	"	...	1 0	
	(9) Machines for making, loading or closing cartridges for rifled arms.	...	*Ad valorem*	30 per cent.	
	(10) Machines for capping cartridges for rifled arms.	...	"	30 " "	

54	GUNPOWDER for cannons, rifles, guns, pistols and sporting purposes.	...	*Ad valorem*	30 per cent.
55	Subject to the exemptions specified in No. 56 all ARTICLES, other than those specified in entry No. 53, which are ARMS OR PARTS OF ARMS within the meaning of the Indian Arms Act 1878 (excluding springs used for air-guns which are dutiable as hardware, under No. 70), all tools used for cleaning or putting together the same, all machines for making, loading, closing or capping cartridges for arms other than rifled arms and all other sorts of ammunition and military stores, and any articles which the Governor-General in Council may, by notification in the *Gazette of India*, declare to be ammunition or military stores for the purposes of this Act.	...	"	30 " "
56	The following ARMS, AMMUNITION AND MILITARY STORES :— (*a*) Articles falling under the 5th, 6th, 8th, 9th or 10th item of No. 53 when they appertain to a firearm falling under the 1st or 3rd item and are fitted into the same case with such firearm ;	...	...	Free

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd.*			
	ARMS, AMMUNITION AND MILITARY STORES—*contd.*			
	(*b*) Arms forming part of the regular equipment of a commissioned or gazetted officer in His Majesty's Service entitled to wear diplomatic, military, naval, Royal Air Force or police uniform ;			
	(*c*) A revolver and an automatic pistol and ammunition for such revolver and pistol up to a maximum of 100 rounds per revolver or pistol, (*i*) when accompanying a commissioned officer of His Majesty's regular forces, or of the Indian Auxiliary Force or the Indian Territorial Force or a gazetted police officer, or (*ii*) certified by the commandant			

	of the corps to which such officer belongs, or, in the case of an officer not attached to any corps, by the officer commanding the station or district in which such officer is serving, or in the case of a police officer, by an Inspector-General or Commissioner of Police, to be imported by the officer for the purpose of his equipment; (*d*) Swords for presentation as army or volunteer prizes; (*e*) Arms, ammunition, and military stores imported with the sanction of the Government of India for the use of any portion of the military forces of a State in India which may be maintained and organized for Imperial Service; (*f*) Morris tubes and patent ammunition imported by officers commanding British and Indian regiments or volunteer corps for the instruction of their men.			
57	EXPLOSIVES, namely, blasting gunpowder, blasting gelatine, blasting dynamite, blasting roburite, blasting tonite, and all other sorts, including detonators and blasting fuse.	...	*Ad valorem*	15 per cent.

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd.*			
	CARRIAGES AND CARTS.			
58	CARRIAGES AND CARTS including tram cars, motor omnibuses, motor-lorries, motor-vans, junrikshas, bath-chairs, perambulators, trucks, wheel-barrows, and all other sorts of conveyances not otherwise specified, and such component parts and accessories thereof as are not also adapted for use as parts or accessories of motor-cars, motor-cycles, motor-scooters, bicycles or tricycles (*see* No. 59)*.	...	*Ad valorem*	15 per cent.
59	MOTOR-CARS, motor-cycles, motor-scooters, bicycles, and tricycles and articles adaped for us as parts and accessories thereof: provided that such articles as are ordinarily also used for purposes other than as parts and accessories or motor-vehicles included in this or in No. 58 of or bicycles or tricycles shall be dutiable at the rate of duty specified for such articles*.	...	"	30 per cent.

	CHEMICALS, DRUGS AND MEDICINES.			
60	ANTI-PLAGUE SERUM	...	...	Free
61	COPPERAS, green—		Rs. a.	
	(1) imported in bulk	cwt.	6 0	$2\frac{1}{2}$ per cent.
	(2) imported otherwise	...	*Ad valorem*	$2\frac{1}{2}$ "
				Rs. a.
62	OPIUM and its alkaloids, and their derivatives.	Seer of 80 tolas.	...	24 0
63	QUININE and other alkaloids of cinchona...	...	...	Free
64	CHEMICALS, DRUGS AND MEDICINES, all sorts not otherwise specified—		Rs. a.	
	Alkali, Indian (sajji-khar)	cwt.	4 0	15 per cent.
	Alum (lump)	"	13 8	15 "
	Arsenic (China mansil)	"	65 0	15 "
	" other sorts	...	*Ad valorem*	15 "
	Bleaching powder	cwt.	19 0	15 "
	Carbide of Calcium	"	28 0	15 "
	Carbonate of Ammonia	"	50 0	15 "
	Muriate of Ammonia	"	50 0	15 "
	Peppermint crystals	lb.	17 0	15 "
	Silicate of Soda	cwt.	14 0	15 "
	Soda ash including calcined natural soda and manufactured sesquicarbonates.	"	7 0	15 "
	Soda Bicarbonate	"	11 0	15 "

*Under Government of India Notification No. 1776, dated 1st April 1922, bicycles and tricycles, and articles adapted for use as parts and accessories thereof, are liable to duty at 15 per cent. provided that such articles are not ordinarily also used as parts and accessories of motor cars, motor cycles or motor scooters.

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd.*			
	CHEMICALS, DRUGS AND MEDICINES.—*contd.*		Rs. a.	
	Soda, caustic, solid	cwt.	21 0	15 per cent.
	" " flake	"	28 0	15 "
	" " powdered	"	29 0	15 "
	Soda crystals (in bulk)	"	10 0	15 "
	Sulphate of copper	"	22 8	15 "
	Sulphur (brimstone), flowers	"	11 0	15 "
	" " roll	"	13 0	15 "
	" " rough	"	10 0	15 "
	Trona or natural soda uncalcined ...	"	5 0	15
	All other sorts of chemical products and preparations not otherwise specified.*	...	*Ad valorem*	15 "
	Aloe-wood...	...	"	15 "
			Rs. a.	
	Asafœtida (hing)...	cwt.	125 0	15 "
	" coarse (hingra)	"	50 0	15 "
	Atáry, Persian	...	*Ad valorem*	15 "

	Bánslochan (bamboo camphor) ...	lb.	0 9	15	,,
	Calumba root	cwt.	10 0	15	,,
	Camphor, refined, other than powder.	lb.	4 8	15	,,
	Cassia lignea	cwt.	28 0	15	,,
	China root (chobchini) rough	,,	17 8	15	,,
	,, ,, ,, scraped ...	,,	30 0	15	,,
	Cubebs	,,	175 0	15	,,
	Galangal, China	,,	12 8	15	,,
	Salep	,,	350 0	15	,,
	Storax, liquid (rose mellos or salaras).	,,	65 0	15	,,
	All other sorts of drugs, medicines, and narcotics.	...	*Ad valorem*	15	,,
	CUTLERY, HARDWARE, IMPLEMENTS AND INSTRUMENTS.				
65	The following AGRICULTURAL IMPLEMENTS, namely, winnowers, threshers, mowing, reaping and binding machines, elevators, seed-crushers, chaff-cutters, ensilage cutters, root-cutters, horse and bullock gears, ploughs, cultivators, scarifiers, harrows, clodcrushers, seed-drills, hay-teddres, and rakes; also component parts of these implements, provided that they can be readily fitted into their proper places in the implements for which they are imported, and that they cannot ordinarily be used for purposes unconnected with agriculture.	...	...	Free	

*Under Government of India Notification No. 1796, dated 1st April 1922, urea is exempt from the payment of Import duty.

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd.*			
	CUTLERY, HARDWARE, IMPLEMENTS AND INSTRUMENTS.—*contd.*			
66	CLOCKS AND WATCHES, and parts thereof.	...	*Ad valorem*	30 per cent.
67	CUTLERY, excluding electroplated cutlery (*see* No. 69).	...	"	15 " "
68	The following DAIRY APPLIANCES, namely, cream separators, milk sterilizing or pasteurizing plant, milk aerating and cooling apparatus, churns, butter dryers, and butter workers; also component parts of these appliances provided that they can be readily fitted into their proper places in the appliances for which they are imported, and that they cannot ordinarily be used for other than dairy purposes.	...	...	Free
69	ARTICLES PLATED WITH GOLD & SILVER..	...	*Ad valorem*	30 per cent.
70	HARDWARE, IRONMONGERY AND TOOLS, all sorts, not otherwise specified.	...	"	15 " "

71	INSTRUMENTS, APPARATUS, AND APPLIANCES, imported by a passenger as part of his personal baggage and in actual use by him in the exercise of his profession or calling.	...	...	Free
72	MUSICAL INSTRUMENTS.	...	*Ad valorem*	30 per cent.
73	TELEGRAPHIC INSTRUMENTS AND APPARATUS, and parts thereof, imported by, or under the orders of, a railway company.	...	"	10 per cent.
74	WATER-LIFTS, SUGAR-MILLS, OIL-PRESSES, and parts thereof, when constructed so that they can be worked by manual or animal power.	...	...	Free
75	All other sorts of IMPLEMENTS, INSTRUMENTS, APPARATUS AND APPLIANCES, and parts thereof, not otherwise specified*.	...	*Ad valorem*	15 per cent.

* Under Government of India Notification No. 6362, dated the 5th November 1921, the following electrical instruments, apparatus and appliances are liable to duty at 2½ per cent. *ad valorem* :—

1. Switchboards imported complete or in parts provided that the Collector of Customs is satisfied that they are for use on high pressure circuits.

   Explanation.—The expression "high pressure" has the meaning assigned to it in the Indian Electricity Rules, 1911.

2. Oil switches and oil circuit breakers.
3. Motor starters and controllers of all types with their accessories and resistances, provided that the Collector of Customs is satisfied that they are for use with machinery and not for motor vehicles, tramcars, lifts or the like.
4. Regulators and rheostats of all types with their accessories and resistances, except regulators for fans (other than induced or forced draft fans) and resistances intended for purposes other than the control of machinery.
5. Transformers, with their accessories or parts, static converters and static condensers of 3 K. V. A. capacity or over.

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured.—*contd.*			
	DYES AND COLOURS.			
76	DYEING AND TANNING SUBSTANCES, all sorts, and PAINTS AND COLOURS and painters' materials, all sorts—		Rs. a.	
	Alizarine dye, dry, not exceeding 40 *per cent.*	lb.	3 12	15 per cent.
	Alizarine dye, dry, over 40 per cent. but not exceeding 50 per cent.	"	4 4	15 " "
	Alizarine dye, dry, over 50 per cent. but not exceeding 60 per cent.	"	4 12	15 " "
	Alizarine dye, dry, over 60 per cent. but not exceeding 70 per cent.	"	5 4	15 " "
	Alizarine dye, dry, over 70 per cent. but not exceeding 80 per cent.	"	5 12	15 " "
	Alizarine dye, dry, over 80 per cent....	"	6 12	15 " "
	Alizarine dye, moist, not exceeding 10 per cent.	"	0 10	15 " "
	Alizarine dye, moist, over 10 per cent. and not exceeding 16 per cent.	"	1 0	15 " "

Alizarine dye, moist, over 16 per cent. and not exceeding 20 per cent.	"	1 4	15 " "
Alizarine dye, moist, exceeding 20 per cent.	"	2 0	15 " "
Aniline dye moist	"	4 0	15 " "
Aniline dyes, black, or sulphur series....	"	2 0	15 " "
Aniline dyes, congo red	"	3 0	15 " "
All other aniline dyes, dry	"	4 8	15 " "
Aniline salts	...	*Ad valorem*	15 " "
		Rs. a.	
Avar bark	cwt.	4 8	15 " "
Cochineal	lb.	1 0	15 " "
Gallnuts (myrabolams)	...	*Ad valorem*	15 " "
		Rs. a.	
" Persian	cwt.	40 0	15 " "
Gamboge	lb.	2 0	15 " "
All other sorts of dyeing and tanning materials	...	*Ad valorem*	15 " "
		Rs. a.	
Lead, red, dry	cwt.	38 0	15 " "
" White dry	"	42 0	15 " "
Ochre, other than European, all colours...	"	2 0	15 " "
Turpentine	Imperial gallon.	9 0	15 " "
Vermilion, Canton	box of 90 bundles.	235 0	15 " "
Zinc, white, dry	...	*Ad valorem*	15 " "
All other sorts of paints, colours and painters' materials not otherwise specified, including glue and putty.	...	"	15 " "

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd.*			
	FURNITURE, CABINETWARE AND MANUFACTURES OF WOOD.			
77	FURNITURE, CABINETWARE, and all other manufactures of wood not otherwise specified.	...	*Ad valorem*	15 per cent.
	GLASSWARE AND EARTHENWARE.			
78	GLASS AND GLASSWARE, lacquered ware, earthenware, China and porcelain; all sorts, except glass bangles, beads and false pearls and aerated water bottles (Codd's pattern) (*see* Nos. 78*a* and 79).	...	" "	15 " "
			Rs. a.	
78*a*	Aerated water bottles (Codd's pattern)—			
	8 ozs. and under	gross	55 0	15 " "
	Over 8 ozs.	"	65 0	15 " "

79	GLASS BANGLES AND BEADS AND FALSE PEARLS	...	*Ad valorem*	30 " "
	HIDES, SKINS AND LEATHER.			
80	HIDES AND SKINS not otherwise specified. LEATHER AND LEATHER MANUFACTURES, all sorts, not otherwise specified.	...	" "	15 " "
	MACHINERY.			
81	MACHINERY, namely, prime-movers and component parts thereof, including boilers and component parts thereof; also including locomotive and portable engines, steam-rollers, fire-engines, and other machines in which the prime-mover is not separable from the operative parts.	...	" "	2½ " "
	MACHINERY (and component parts thereof), meaning machines or sets of machines to be worked by electric, steam, water, fire or other power not being manual or animal labour or which, before being brought into use, require to be fixed with reference to other moving parts; and including belting of all materials for driving machinery.*	...	" "	2½ " "

* See footnote on page 665.

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd.*			
	MACHINERY—*contd.*			
	Provided that the term does not include tools and implements to be worked by manual or animal labour, and provided also that only such articles shall be admitted as component parts of machinery as are indispensable for the working of the machinery and are, owing to their shape or to other special quality, not adapted for any other purpose,			
	Note.—This entry includes machinery and component parts thereof made of substances other than metal.			
82	MACHINERY and component parts thereof, meaning machines or parts of machines to be worked by manual or animal labour, not otherwise specified (see Nos. 65, 68 and 74.)	...	*Ad valorem*	15 per cent.

	METALS, IRON AND STEEL.		Rs. a.	
83	IRON—			
	ANGLE—			
	Angle and T, not fabricated, best Yorkshire or Swedish and similar qualities.	ton	300 0	10 „ „
	Other kinds, if galvanised, tinned, or lead coated	„	300 0	10 „ „
	Other kinds	„	250 0	10 „ „
	Angle and T, fabricated	...	*Ad valorem*	10 „ „
	BAR, ROD AND CHANNEL, including Channel for Carriages—		Rs. a.	
	Bar, Best Yorkshire and similar qualities.	ton	300 0	10 „ „
	„ Swedish and charcoal and similar qualities.	„	250 0	10 „ „
	„ Swedish and charcoal and nail-rod round rod, and square under ½ inch in diameter.	„	275 0	10 „ „
	„ Swedish and charcoal, if galvanised, tinned, or lead coated.	...	*Ad valorem*	10 „ „
			Rs. a.	
	„ other kinds	ton	200 0	10 „ „
	„ „ „ nail-rod, round-rod and square under ½ inch in diameter.	„	250 0	10 „ „
	„ „ „ if galvanized, tinned, or lead coated.	„	275 0	10 „ „
	Channel, including channel for carriages	„	250 0	10 „ „

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd.*			
	METALS, IRON AND STEEL—*contd.*			
	All other sorts	...	*Ad valorem*	10 per cent.
			Rs. a.	
	PIG	ton	120 0	10 „ „
	RICE BOWLS	cwt.	30 0	10 „ „
84	IRON OR STEEL—			
	ANCHORS AND CABLES	...	*Ad valorem*	10 „ „
	BEAMS, JOISTS, pillars, girders, screw-piles, bridge work and other descriptions of iron or steel imported exclusively for building purposes; including also ridging, guttering and continuous roofing.	...	„	10 „ „
	BOLTS and nuts, including hook bolts and nuts for roofing.	...	„	10 „ „
	HOOPS AND STRIPS—		Rs. a.	
	Hoops, Best Yorkshire or Swedish and similar qualities	ton	370 0	10 „ „
	„ other kinds	„	250 0	10 „ „

" " " if galvanised, tinned, chequered, planished, lead coated or aluminium coated.	"	300 0	10 " "
Strips, Best Yorkshire or Swedish and similar qualities.	"	370 0	10 " "
" other kinds	"	250 0	10 " "
" " " if galvanised, tinned chequered, planished, lead coated, or aluminium coated.	"	300 0	10 " "
NAILS, RIVETS & WASHERS, all sorts—			
Nails, wire	cwt.	14 0	10 " "
" rose, deck, and flat-headed ...	"	20 0	10 " "
" other kinds, including galvanised, tinned or lead coated and panel pins.	"	35 0	10 " "
Rivets, black	"	20 0	10 " "
" other sorts	"	20 0	10 " "
Washers, tinned or lead coated and dome-shaped, spring or locking washers	...	*Ad valorem*	10 " "
		Rs. a.	
" other sorts	cwt.	20 0	10 " "
PIPES AND TUBES, and fittings therefor, such as bends, boots, elbows, tees, sockets, flanges and the like.	...	*Ad valorem*	10 " "
RAILS, CHAIRS, sleepers, bearing and fish plates, spikes (commonly known as dog spikes), switches, and crossings, other than those described in No. 95, also lever boxes, clips, and tie-bars.	...	"	10 " "

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd.*			
	METALS, IRON AND STEEL—*contd.*			
	IRON OR STEEL—*contd.*		Rs. a.	
	SHEETS AND PLATES, not fabricated, all sorts, excluding discs, circles and expanded metal sheets which are dutiable under No. 86—			
	Sheets and plates, Best Yorkshire and similar qualities.	ton	400 0	10 per cent.
	" " Swedish and charcoal	"	350 0	10 " "
	" " Swedish and charcoal, if galvanised, tinned, or lead coated.	"	400 0	10 " "
	Sheets corrugated, galvanised or black up to and including 26 Gauge.	"	300 0	10 " "
	" " galvanised or black above 26 Gauge.	"	375 0	10 " "

	Sheet and plates cuttings	"	200 0	10 " "
	Tinplates	"	400 0	10 " "
	" cuttings	...	*Ad valorem*	10 " "
			Rs. a.	
	Sheets, other kinds, black, up to and including ⅛ inch thick.	ton	200 0	10 " "
	Plates " " above ⅛ inch thick	"	180 0	10 " "
	Sheets, other kinds, if galvanised, tinned, planished, lead coated, or aluminium coated, up to and including 26 Gauge, also chequered, and galvanised plates.	"	375 0	10 " "
	Sheets, other kinds, if galvanised, tinned, planished, lead coated or aluminium coated, above 26 Gauge.	"	475 0	10 " "
	Sheets and plates, fabricated, all sorts, excluding discs, circles and expanded metal sheets which are dutiable under No. 86.	...	*Ad valorem*	10 " "
	WIRE, including piano-wire, fencing wire and wire rope, but excluding wire-netting (which is dutiable under No. 86)	...	"	10 " "
			Rs. a.	
85	STEEL—			
	ANGLE—			
	Angle and T, not fabricated, if galvanised, tinned, or lead coated.	ton	200 0	10 " "

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured.—*contd.*			
	METALS, IRON AND STEEL—*contd.*		Rs. a.	
	STEEL—*contd.*			
	All other sorts	ton	160 0	10 per cent.
	Angle and T, fabricated	...	*Ad valorem*	10 „ „
	BAR, ROD AND CHANNEL, including channel for carriages—		Rs. a.	
	Bar, Swedish and similar qualities...	ton	250 0	10 „ „
	„ common merchant	„	150 0	10 „ „
	„ „ „ nail-rod, round-rod, and square, under ½ inch in diameter.	„	180 0	10 „ „
	„ galvanized, tinned, planished, polished, or lead coated.	„	275 0	10 „ „
	„ crucible, cast steel (tool steel) including— (*a*) High speed. (*b*) Carbon steel	...	*Ad valorem*	10 „ „

	„ high tensile steel	...	„	10 „ „
			Rs. a.	
	Channel, including channel for carriages	ton	180 0	10 „ „
	Cast, including spring, blistered and tub steel.	...	*Ad valorem*	10 „ „
	All other sorts...	...	„	10 „ „
	INGOTS, BLOOMS, BILLETS AND SLABS	...	„	10 „ „
86	All sorts of IRON AND STEEL and manufactures thereof, not otherwise specified—	...	„	10 „ „
	Iron or steel cans or drums, when imported containing kerosene and motor spirit which is separately assessed to duty under No. 32, namely:—			
			Rs. a.	
	Cans, tinned, of four gallons capacity	can	0 6	15 „ „
	Cans or drums, not tinned, of two gallons capacity—			
	(*a*) with faucet caps	can or drum	1 8	15 „ „
	(*b*) ordinary	„	0 4	15 „ „
	Drums of four gallons capacity—			
	(*a*) with faucet caps	drum	2 4	15 „ „
	(*b*) ordinary	„	2 0	15 „ „
	Iron or steel cans or drums, other sorts	...	*Ad valorem*	15 „ „
	Iron or steel, all other sorts, including discs or circles wire-netting and expanded metal sheets.	...	„	15 „ „

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd.*			
	METALS, OTHER THAN IRON AND STEEL.			
87	CURRENT NICKEL, BRONZE, AND COPPER COIN of the Government of India.	...	...	Free
88	GOLD AND SILVER BULLION AND COIN.	...	...	Free
89	GOLD PLATE, GOLD THREAD and wire and GOLD MANUFACTURES, all sorts.	...	*Ad valorem*	30 per cent.
90	LEAD, sheets, for tea-chests	...	"	2½ " "
91	SILVER PLATE, SILVER THREAD and wire, and SILVER MANUFACTURES, all sorts.	...	"	30 " "
92	ALL SORTS OF METALS OTHER THAN IRON AND STEEL, and manufactures thereof, not otherwise specified—		Rs. a.	
	Aluminium circles	lb.	1 6	15 " "
	" sheets	"	1 4	15 " "
	Brass, patent or yellow metal, sheets and sheathing, weighing 1 lb. or above per square foot, and braziers, and plates.	cwt.	72 0	15 " "
		...		

„ patent or yellow metal (including gun metal) ingots.	„	35 0	15 „ „
„ patent or yellow metal (old) ...	„	30 0	15 „ „
„ sheets, flat or in rolls, and sheathing, weighing less than 1 lb. per square foot.	...	*Ad valorem*	15 „ „
„ wire	...	„	15 „ „
„ all other sorts	...	„	15 „ „
Copper, bolt and bar, rolled	...	„	15 „ „
		Rs. a.	
„ braziers, sheets, plates and sheathing.	cwt.	80 0	15 „ „
„ sheets, planished	...	*Ad valorem*	15 „ „
„ nails and composition nails ...	...	„	15 „ „
„ old	cwt.	40 0	15 „ „
„ pigs, tiles, ingots, cakes, bricks, and slabs.	„	55 0	15 „ „
„ China, white, copperware... ...	lb.	4 0	15 „ „
„ foil or dankpana, white, 10 to 11 in. × 4 to 5 in.	hundred leaves.	4 0	15 „ „
„ foil or dankpana, coloured, 10 to 11 in. × 4 to 5 in.	„	5 0	15 „ „
„ wire including phosphor-bronze ...	...	*Ad valorem*	15 „ „
„ all other sorts, unmanufactured and manufactured, except current coin of the Government of India, which is free.	...	„	15 „ „
German silver	...	„	15 „ „
Lead, pig	cwt.	20 0	15 „ „

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured.—*contd.*			
	METALS, OTHER THAN IRON AND STEEL.—*contd.*			
	Lead, all sorts (except sheets for tea chests and pig)	...	*Ad valorem*	15 per cent.
			Rs. a.	
	Quicksilver	lb.	2 6	15 „ „
	Tin, block	cwt.	120 0	15 „ „
	„ foil, and other sorts	...	*Ad valorem*	15 „ „
			Rs. a.	
	Zinc or spelter, tiles, slabs or plates, hard or soft.	cwt.	28 0	15 „ „
	Zinc or spelter, all other sorts, including boiler tiles.	...	*Ad valorem*	15 „ „
	All other sorts of metals, and manufactures thereof.	...	„	15 „ „
	PAPER, PASTEBOARD AND STATIONERY.			
93	TRADE CATALOGUES AND ADVERTISING CIRCULARS imported by packet, book, or parcel post.	...	...	Free

94	PAPER AND ARTICLES MADE OF PAPER & PAPER MACHINE, PASTEBOARD, MILL-BOARD, AND CARDBOARD all sorts, and STATIONERY, including ruled or printed forms and account and manuscript books, drawing and copy books, labels, advertising circulars, sheet or card almanacs and calendars, Christmas, Easter and other cards, including cards in booklet form; including also waste-paper and old newspapers for packing except old newspaper in bales; but excluding trade catalogues and advertising circulars imported by packet, book, or parcel post. (*See* No. 93.)	...	*Ad valorem*	15 per cent.
			Rs. a.	
	Old newspapers in bales	cwt.	10 0	15 „ „
	RAILWAY PLANT AND ROLLING STOCK.			
95	RAILWAY MATERIAL for permanent-way and rollingstock, namely, cylinders, girders, and other material for bridges, rails, sleepers, bearing and fishplates, fish bolts, chairs, spikes, crossings, sleeper fastenings, switches, interlocking apparatus, brake gear couplings and springs, signals, turn-tables, weigh-bridges, engines, tenders, carriages, wagons,	...	*Ad valorem*	10 „ „

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd.*			
	RAILWAY PLANT AND ROLLING STOCK.—*contd.*			
	traversers, trollies, trucks, and component parts thereof; also the following articles when imported by or under the orders of a railway company, namely, cranes, water cranes, water tanks and standards, wire and other materials for fencing.			
	Provided that for the purpose of this entry "railway" means a line of railway subject to the provisions of the Indian Railways Act, 1890, and includes a railway constructed in a State in India and also such tramways as the Governor-General in Council may, by notification in the *Gazette of India*, specifically include therein.			

	Provided also that only such articles shall be admitted as component parts of railway material as are indispensable for the working of railways and are, owing to their shape or other special quality, not adapted for any other purpose.			
	YARNS AND TEXTILE FABRICS.			
96	COTTON, PIECE-GOODS	...	*Ad valorem*	11 per cent.
97	COTTON TWIST AND YARN, and COTTON SEWING OR DARNING THREAD.	...	"	5 " "
98	SECOND-HAND OR USED GUNNY BAGS made of jute...	...	...	Free
99	YARNS AND TEXTILE FABRICS, that is to say:—			
	Cotton thread other than sewing or darning thread, and all other manufactured cotton goods not otherwise specified.	...	*Ad valorem*	15 per cent.
	Flax, twist and yarn and manufactures of flax	...	"	15 " "
	Haberdashery and Millinery excluding articles made of silk.	...	"	15 " "
	Hemp manufactures	...	"	15 " "
	Hosiery excluding articles made of silk.	...	"	15 " "
	Jute twist and yarn and jute manufactures, excluding second-hand or used gunny bags (*see* No. 98.)	...	"	15 " "
	Silk yarn, noils and warps, and silk thread	...	"	15 " "

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd.*			
	YARNS AND TEXTILE FABRICS—*contd.*			
	Woollen yarn, knitting wool and other manufactures of wool including felt.	...	*Ad valorem*	15 per cent.
100	All other sorts of yarns and textile fabrics, not otherwise specified.	...	"	15 " "
	SILK PIECE-GOODS, and other manufactures of silk—			
	Silk piece-goods (white or coloured plain or figured and all widths) and apparel, from Japan and China (including Hongkong)—			
	Japan—		Rs. a.	
	Paj, Thama, Junken, and Nankin all kinds, including striped, printed, embossed and pineapples.	lb.	27 0	30 " "
	Satins and Kohaku, all kinds, including striped, printed, woven and embossed	"	32 0	30 " "
	Twill all kinds	"	28 0	30 " "
	Jarina (gold embroidered)	"	39 0	30 " "
	Fugi and Boseki, all kinds	"	25 0	30 " "
	Fancies, printed and woven including georgettes, Kobe-crepes, crepe-de-	"	38 0	30 " "

chine (chirmin), ninons and gauzes.					
Embroideries, all kinds, including apparel	"	57	0	30	" "
Apparel other than embroidered, including shawls, dhuties, scarves, mufflers, handkerchiefs and hosiery.	"	42	0	30	" "
Dupettas and China Silk Patkas ...	"	25	0	30	" "
Burmese scarves—(*a*) Paj	"	30	0	30	" "
(*b*) Other kinds.	"	45	0	30	" "
Cotton and silk mixed satins embroidered	"	16	0	30	" "
Cotton and silk mixed satins, other kinds	"	11	0	30	" "
Cotton and silk mixed Hosiery ...	"	30	0	30	" "
Cotton and silk mixed Boseki, all kinds	"	9	0	30	" "
Silk Fents	"	16	0	30	" "
Other kinds including mixed apparel	...	*Ad valorem*		30	" "
China (including Hongkong) but excluding Canton—		Rs.	a.		
Honans, all kinds, apparel and Patkas	lb.	9	0	30	" "
Shantungs, all kinds, apparel & Patkas.	"	5	8	30	" "
Corded, all kinds, except Woochow...	"	8	0	30	" "
White cord (Woochow), all kinds ...	"	18	0	30	" "
Crepe, gauze, and paj, all kinds ...	"	23	0	30	" "
Satins and fancies, all kinds	"	32	0	30	" "
Other kinds	...	*Ad valorem*		30	" "
Cantons, all kinds, including apparel ...	...	"		30	" "
Silk piece-goods, apparel and other manufactures of silk not otherwise specified.	...	"		30	" "

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd.*			
	MISCELLANEOUS.			
101	AEROPLANES, aeroplane parts, aeroplane engines and aeroplane engine parts.	...	*Ad valorem*	2½ per cent.
102	ART, the following works of :—(1) statuary and pictures intended to be put up for the public benefit in a public place, and (2) memorials of a public character intended to be put up in a public place, including the materials used or to be used in their construction, whether worked or not.	...	...	Free
103	ART, works of, excluding those specified in No. 102	...	*Ad valorem*	15 per cent,
104	BOOKS, printed, including covers for printed books, maps, charts, and plans, proofs, music and manuscripts.	...	...	Free
105	BRUSHES AND BROOMS	...	*Ad valorem*	15 per cent.
106	BUILDING AND ENGINEERING MATERIALS, including asphalt, bricks, cement other than Portland cement, chalk and lime,	...	"	15 " "

	clay other than China clay, (See No. 107a) pipes of earthenware, tiles and all other sorts of building and engineering materials not otherwise specified			
	Portland cement	cwt.	Rs a. 4 4	15 per cent
107	CANDLES	...	*Ad valorem*	15 „ „
107*a*	China clay	ton	Rs. a. 130 0	15 „ „
108	CINEMATOGRAPH FILMS—			
	Exposed standard positive films new or used	Foot	0 4	15 „ „
	Other films	...	*Ad valorem*	15 „ „
109	CORDAGE AND ROPE AND TWINE OF VEGETABLE FIBRE...	...	„	15 „ „
110	FIREWORKS	...	„	30 „ „
111	FURNITURE, TACKLE AND APPAREL, not otherwise described, for steam, sailing, rowing and other vessels...	...	„	15 „ „
112	IVORY, manufactured	...	„	30 „ „
113	JEWELLERY AND JEWELS	...	„	30 „ „
114	MATCHES :—			Rs. a.
	(1) In boxes containing not more than 100 matches.	Gross of boxes.	...	1 8
	(2) In boxes containing more than 100 matches	For every 100 matches or fraction thereof in each box, per gross of boxes.	...	0 6

SCHEDULE II—IMPORT TARIFF—*contd.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III—Articles wholly or mainly manufactured—*contd.*			
	MISCELLANEOUS—*contd.*			
115	MATS AND MATTING	...	*Ad valorem*	15 per cent.
116	OILCAKES	...	"	15 " "
117	OILCLOTH AND FLOOR CLOTH	...	"	15 " "
118	PACKING—ENGINE AND BOILER—all sorts, excluding packing forming a component part of any article included in No. 81 and No. 95...	...	"	15 " "
119	PERFUMERY, not otherwise specified—		Rs. a.	
	Gowla, husked and unhusked	cwt.	65 0	15 " "
	Kapurkachri (zedoary)	"	25 0	15 " "
	Patch leaves (patchouli)	"	35 0	15 " "
	Rose-flowers, dried...	"	25 0	15 " "
	Rose-water	Imperial gallon	5 0	15 " "
120	PITCH, TAR AND DAMMER, except Dammer Batu	...	*Ad valorem*	15 " "
			Rs. a.	
	Dammer Batu	cwt.	7 0	15 " "
121	PNEUMATIC RUBBER TYRES AND TUBES for motor cars, motor lorries, motor	...	*Ad valorem*	30 " "

	cycles, motor scooters, bicycles and tricycles.*			
122	POLISHES AND COMPOSITIONS	...	"	15 " "
123	PRINTING AND LITHOGRAPHING MATERIAL, namely, presses, type, ink, aluminium lithographic plates, brassrules, composing sticks, chases, imposing tables, and lithographic stones, stereoblocks, wood blocks, half-tone blocks, electrotype blocks, roller moulds, roller frames and stocks, roller composition, standing screw and hot presses, perforating machines, goldblocking presses, galley presses, proof presses, arming presses, copper plate printing presses, ruling machines, ruling pen making machines, lead and rule cutters, type casting machines, type setting and casting machines, rule bending machines, rule mitreing machines, bronzing machines, leads, wooden and metal quoins, shooting sticks and galleys, stereotyping apparatus, metal furniture, paper folding machines, paging and numbering machines, and rolling presses, but excluding paper (*see* No. 94.)	...	"	$2\frac{1}{2}$ " "

*Under Government of India Notification No. 1776, dated 1st April 1922, pneumatic rubber tyres and tubes for bicycles and tricycles are liable to duty at 15 per cent.

SCHEDULE II—IMPORT TARIFF—*concld.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	III.—Articles wholly or mainly manufactured—*concld.*			
	MISCELLANEOUS—*contd.*			
124	PRINTS, ENGRAVINGS AND PICTURES, including photographs and picture post cards.	...	*Ad valorem*	30 per cent.
125	RACKS for the withering of tea leaf ...	...	"	2½ " "
126	RUBBER tyres and other manufactures of rubber, not otherwise specified (*see* No. 121)	...	"	15 " "
127	SHIPS AND OTHER VESSELS for inland and harbour navigation, including steamers, launches, boats and barges, imported entire or in sections.	...	"	10 " "
128	SMOKERS' REQUISITES, excluding tobacco (*see* Nos. 24 to 26) and matches (No, 114)	...	"	30 " "
129	SOAP	...	"	15 " "

130	STARCH AND FARINA	...	"	15 " "
131	STONE AND MARBLE, and articles made of stone and marble.	...	"	15 " "
132	TEA-CHESTS of metal or wood, whether imported entire or in sections, provided that the Collector of Customs is satisfied that they are imported for the purpose of the packing of tea for transport in bulk.	...	"	2½ " "
133	TOILET REQUISITES, not otherwise specified.	...	"	15 " "
134	TOYS, games, playing cards and requisites for games and sports, excluding bird-shot.	...	"	30 " "
	Bird-shot	cwt.	Rs. a. 40 0	30 " "
135	ALL OTHER ARTICLES wholly or mainly manufactured, not otherwise specified.	...	*Ad valorem*	15 " "
	IV—Miscellaneous and unclassified.			
136	ANIMALS, living, all sorts	...	...	Free
137	CORAL	...	*Ad valorem*	15 per cent.
138	FODDER, BRAN AND POLLARDS	...	"	2½ " "
149	SPECIMENS illustrative of natural science, and medals and antique coins.	...	...	Free
140	UMBRELLAS, including parasols and sunshades, and fittings therefor.	...	*Ad valorem*	15 per cent.
141	ALL OTHER ARTICLES NOT OTHERWISE SPECIFIED, including articles imported by post.	...	"	15 " "

SCHEDULE III.—EXPORT TARIFF.

No.	Names of Articles	Per	Tariff Valuation	Rate of duty
	JUTE OTHER THAN BIMLIPATAM JUTE.		Rs. a. p.	Rs. a.
1	RAW JUTE—			
	(1) Cuttings	Bale of 400 lbs.	...	1 4
	(2) All other descriptions	„ „ 400 „	...	4. 8
2	JUTE MANUFACTURES when not in actual use as coverings, receptacles or bindings for other goods—			
	(1) Sacking (cloth, bags, twist, yarn, rope and twine).	Ton of 2,240 lbs.	...	20 0
	(2) Hessians and all other descriptions of jute manufactures not otherwise specified.	Ton of 2,240 lbs.	...	32 0

	RICE.			
3	RICE, husked or unhusked, including rice flour, but excluding rice bran and rice dust, which are free.	Indian maund of $82\frac{2}{7}$, lbs. avoirdupois weight.	...	0 3
	TEA.			
4	TEA	100 lbs.	...	1 8
5	RAW HIDES AND SKINS IF EXPORTED FROM BURMA.			
	(1) ARSENICATED AND AIR-DRIED HIDES—			
	(*a*) Cows (including calf skins) ...	lb.	0 5 0	15 per cent.
	(*b*) Buffaloes (including calf skins)...	,,	0 2 0	15 ,, ,,
	(2) DRY SALTED HIDES—			
	(*a*) Cows (including calf skins) ...	,,	0 2 0	15 ,, ,,
	(*b*) Buffaloes (including calf skins)..	,,	0 1 0	15 ,, ,,
	(3) WET SALTED HIDES—			
	(*a*) Cows (including calf skins) ...	,,	0 2 0	15 ,, ,,
	(*b*) Buffaloes (including calf skins) ..	,,	0 1 0	15 ,, ,,

SCHEDULE III—EXPORT TARIFF—*concld.*

No.	Names of Articles	Per	Tariff Valuation	Duty
	RAW HIDES AND SKINS IF EXPORTED FROM BURMA—*contd.*		Rs. a. p.	
	(4) GOAT AND KID SKINS	Piece	1 0 0	15 per cent.
	(5) SHEEP SKINS	"	0 8 0	15 " "
6	RAW HIDES AND SKINS IF EXPORTED FROM ANY PLACE IN BRITISH INDIA OTHER THAN BURMA.			
	(1) ARSENICATED AND AIR DRIED HIDES—			
	(*a*) Cows (including calf skins) Framed	lb.	0 6 0	15 " "
	(*a*) Cows (including calf skins) Unframed	"	0 2 6	15 " "
	(*b*) Buffaloes (including calf skins) Framed	"	0 2 6	15 " "
	(*b*) Buffaloes (including calf skins) Unframed	"	0 1 6	15 " "
	(2) DRY SALTED HIDES—			
	(*a*) Cows (including calf skins)	"	0 2 0	15 " "
	(*b*) Buffaloes (including calf skins)	"	0 1 0	15 " "

(3) WET SALTED HIDES—							
(a) Cows (including calf skins) .	"	0	2	0	15	"	"
(b) Buffaloes (including calf skins) .	"	0	1	0	15	"	"
(4) GOAT AND KID SKINS	Piece	1	0	0	15	"	"
(5) SHEEP SKINS	"	0	8	0	15	"	"

N. B.—Provided that, subject to such conditions as the Governor General in Council may by notification in the *Gazette of India* prescribe, a rebate shall be granted to the exporter of two-thirds of the duty levied on hides or skins exported to any part of His Majesty's dominions or of the territories of any Indian Prince or Chief under the suzerainty of His Majesty or of any territories under the protection of His Majesty or in respect of which a mandate of the League of Nations is exercised by the Government of any part of His Majesty's dominions.

APPENDIX M--1

MALPRACTICES ON INDIAN RAILWAYS.

No. 810-A.C.

Royal Exchange,
Calcutta, 28th April 1921.

The Secretary, Chamber of Commerce,
Bombay.

Indian Railways: Serial Loading.

Dear Sir,—I am directed to refer to your letter dated 13th January 1921 (with enclosure), on this subject.

2. Copies of these papers were forwarded to the Chambers with my No. 162-174 A.C. dated 17th January 1921. Replies from three of the Chambers—Karachi, Chittagong and Narayanganj have not been so far received. But I am now instructed to hand you copies of the replies which have reached me from the other Chambers :—

Bengal	letter	dated	7th	March	1921.
Burma	,,	,,	21st	February	,,
Cocanada	,,	,,	2nd	,,	,,
Cochin	,,	,,	11th	,,	,,
Madras	,,	,,	7th	April	,,
Punjab	,,	,,	11th	February	,,
Tuticorin	,,	,,	11th	,,	,,
Upper India	,,	,,	17th	,,	,,

Yours faithfully,

H. M. HAYWOOD,
Secretary.

Letter No. 599-1921 dated 7th March 1921 from the Bengal Chamber of Commerce.

I am directed to acknowledge the receipt of your No. 162 A.C., dated 17th January 1921, with which you forwarded a copy of a letter, dated 13th January, from the Bombay Chamber of Commerce, in this connection.

2. The resolutions which were adopted by the Bombay Chamber, and which were forwarded with your letter, have been carefully considered. It is quite understood that the system of serial loading to which these resolutions refer, and which has been in operation for some years past on the Great Indian Peninsula Railway, has much to recommend it. But, judging by the result of enquiries which they have made, the Committee of this Chamber are not convinced that it would meet the requirements of trade on this side of India more satisfactorily than does the system which is at present in vogue.

Letter dated 21st February 1921 from the Burma Chamber of Commerce.

In reply to your letter of the 17th ultimo on this subject I am directed to state that, so far as allotment of wagons is concerned, this Chamber has no suggestions to make other than that, successfully to cope with traffic, the Burma Railways require many more wagons than they have at present.

With regard to pilferages, the only way of reducing these appears to be the employment of an efficient police force.

Letter No. G. 16-217 dated 2nd February 1921 from the Coconada Chamber of Commerce.

With reference to your letter No. 167 A.C. dated 17th ultimo re-Indian Railways: Serial Loading, I am directed to reply that this Chamber agrees with the points expressed of serial loading, and to suit possible local conditions recommend that consignments for despatch by rail, instead of being delivered at once to the Company should be allowed to be retained in consignors, godowns and delivered only on a receipt of notice from the Station Master. To make the system as efficient as possible it would appear advisable for the Railway Companies to have a more thorough check over their Station Masters and their staffs.

Letter dated 11th February 1921 from the Cochin Chamber of Commerce.

In reply to your No. 168 A.C. dated the 17th January last, handing this Chamber a copy of letter No. 98-45

dated 13th January 1921 (with enclosure) from the Bombay Chamber of Commerce to the Association, I am directed to state that in the opinion of this Chamber a reconsideration of existing regulations in connection with allotment of wagons and the introduction of measures to arrest pilferage amongst goods in course of transit is urgently called for.

2. The position on railways in this part of India in respect to the growing of these matters has of recent years been a matter of great concern to the commercial public and a system of registration of goods awaiting despatch is desirable. Whether, however, the system adopted on the G. I. P. Railway is exactly suitable to South West India, with its heavy rainfall and unprotected platforms and goods yards is open to doubt : the Railway cannot be expected to provide unlimited covered accommodation but it should be possible to devise regulations whereby the public could ascertain where to bring their goods for despatch and which would be in the order in which applications had been registered.

3. The question in connection with the G. I. P. Railway regulations arises : 'are goods at Railway Risk' when delivered to the Railway yard or platform ? Once delivered and taken over by the Railway they should be if the consignment is booked at Railway Risk.

4. The practice of booking goods at Owners Risk is in the opinion of this Chamber objectionable as it not only absolves the railway of responsibility, but it is a direct incentive to pilferage. Within the knowledge of this Chamber goods exposed to break of gauge suffer enormously both from pilfering and from weather and it is firmly believed that were the responsibility as regards condition on the shoulders of the Railway Companies an immediate improvement would follow to the general good. At the same time traffic rates must not be allowed to exceed reasonable figures.

Letter dated Madras 7th April 1921, from the Madras Chamber of Commerce.

In continuation of my letter dated the 24th February, 1921 I am directed to inform you that a Sub-Committee appointed by this Chamber has had the points raised by the Bombay Chamber in their letter No. 98-54 of 1921, dated the 13th February, 1921, under consideration.

With regard to resolutions Nos. 1 and 2, the suggestion that the system of serial loading in force on the Great Indian Peninsular Railway be adopted by other Railway Administrations throughout India, the opinion of the meeting was that this would not do much to minimise the malpractices in question, as it would simply shift their operations from the truck to the gate or goods shed. A copy of the circular issued by the Madras and Southern Mahratta Railway with the object of preventing corruption amongst the employees is enclosed for your information.

With regard to resolution No. 3, the Sub-Committee do not quite understand the suggestion contained therein. If it was proposed that all goods should, in future, be booked at Railway Risk, it is considered that the amount of extra handling in the shape of weighing, etc., which this would involve and the detention of goods entailed thereby would render it impossible for the Railway Companies to deal with the position more especially when goods are being loaded in the Madras Harbour and prompt despatch is essential. This is apart from the serious handicap to trade generally due to excessive freights involved.

It was generally considered that the position as regards claims for goods lost in transit was most unsatisfactory, the state of affairs being due to the peculiar judgment delivered in Bombay in connection with a case brought against a Railway, copy of which is enclosed. In this connection, it was suggested that the Associated Chambers of Commerce might consider bringing a friendly suit against one of the Railways with a view to obtaining a saner judgment in order to put matters on a more satisfactory basis. Apart from this, it was considered that the present form of Risk Notes "B" & "H" should be amended in such a manner so as to render the Railway Company responsible for shortages as bailees of goods should be. If this should entail a slight enhancement of rates, this must be faced but something considerably less than the Railway Risk Notes should meet the case.

The Madras & Southern Mahratta Railway Company Limited. (Incorporated in England).

Circular No. T. 565.

1. In my circular No. T. 379 of 2nd August 1918, I drew the attention of all staff to the harm to the good

name of Railway employees and the probable damage to Railway business arising from the constantly repeated statement that Station Masters and others are demanding money before giving merchants wagons and other facilities for the consignment of goods, and issued a warning that every case in which there were good grounds for believing that malpractices had been committed would involve dismissal from the Company's service.

2. This clear warning is repeated to all grades of staff who are further informed that the undernoted offences, and others similar to them, which would not ordinarily be committed without ulterior motive, will be viewed most seriously, and I shall not hesitate to dismiss employees found guilty of them:-

(i) Failure to maintain Priority Register in accordance with para 330, page 179 of Traffic Manual, Rule 41 (A). page 18 of Goods Tariff, Part 1, No. 5 and para 3 below.

(ii) Failure to enter vehicles in the vehicle guidance.

(iii) Failure to sign (in ink) in vehicle guidance for any vehicle detached at a station.

(iv) Detaching a vehicle at a station to which it is not booked without legitimate reason.

(v) Consigning of road goods in larger quantities than the amount allotted.

(vi) Consigning traffic contrary to restriction or prohibition orders.

(vii) Disobedience of the orders issued regarding the movement of rolling stock.

(viii) Unnecessary delay in the issue of Rail Receipts to consignors after goods have been booked.

(ix) Giving preference to particular consignments during transhipment.

3. In reference to para 2, item 1 above, a Priority Register must until further orders be regularly maintained at every station whether there is pressure of wagons or not.

T. S. 7266 } Sd. F. B. Wathen,
Madras, 31st March 1921. } General Traffic Manager

BOMBAY LAW COURTS

Original Side.

The Burden of Proof.

(Before the Hon. Mr. Justice Kajiji).

The Central India Spinning and Manufacturing Company, Limited (plaintiffs) vs. the G. I. P. Ry. Company. (defendants).

In this suit the plaintiff company's case was that in August 1918, they delivered to the defendant company at Nagpore 57 bales of piece goods to be conveyed from Nagpore to Amritsar, and defendant company issued a Railway receipt to the plaintiffs. The goods were carried over the Railway of the defendant company from Nagpore to Delhi, then over the East Indian Railway from Delhi to Ambala, and lastly over the North Western Railway from Ambala to Amritsar. The goods arrived at Amritsar on or about the 6th September 1918, when the Railway Company delivered only 54 out of the 57 bales to the plaintiffs consignees. The plaintiffs claimed Rs. 1582-7-0 being the value of the 3 bales short delivered. The goods were booked under a risk note in the usual form.

The defendant company's case was that they admitted the fact of the consignment, but said that reduced or owner's risk rates were charged in respect of the said bales. They admitted that 3 bales were short delivered but they submitted that they were not liable for the loss under the terms of the risk note. They denied the allegations of the plaintiffs that the loss of the three bales was due to either the wilful neglect of the defendant company or to theft by or wilful default of their servants or agents. They called for further and better particulars of the charges made by the plaintiffs; but the plaintiffs expressed their inability to furnish the same.

At the hearing Mr. Mulla and Mr. Coltman appeared for the plaintiffs.

Mr. Campbell, with the Hon. the Advocate General appeared for the defendants.

Mr. Campbell, at the outset, submitted that as the plaintiffs had failed to furnish the particulars of the charges made against the defendants, they should not be

allowed to proceed with the case. Only vague allegations were made in the plaint, and they were called upon to fight a shadowy claim.

Mr. Mulla submitted that the primary question was on whom burden of proof lay in such a case. There was a mass of information regarding the carriage of the bales within the defendants knowledge. Counsel contended that Section 76 of the Railway Act applied by which in case of loss of goods on a Railway it was not necessary for the plaintiff to prove how the loss was caused. The reason of this rule was to be found in Section 106 of the Evidence Act, which said that when facts were within the special knowledge of a party the burden of proof of those facts was on him. Counsel submitted Section 106 of the Evidence Act applied to the case, and as explained by the decision of the Privy Council in 20 Bom. L. R. 735, it was for the defendants to begin and place before the court the facts within their knowledge.

Mr. Campbell said that the argument of the other side was perverted and misleading. The Privy Council case had no application. Section 103 of the Evidence Act applied, which said that the burden of proof was on that side which would fail if no evidence were given on either side. If neither side gave evidence in this case the plaintiffs would fail. In the Privy Council case the cause of the loss was known viz. fire. Here the cause was not known. The plaintiffs were alleging wilful neglect of the company, and theft and wilful default of the servants of the company, and they must prove them. Counsel cited 21 Bom. L. R. 799 and 41 Cal/576 and said that the decisions of the Indian Courts were uniform that Section 103 of the Evidence Act applied and the burden of proof was on the plaintiffs.

His Lordship, disposing of this preliminary point, said that it was conceded that, according to the Indian decisions up to now, the burden of proof was on the plaintiffs. He thought he was bound by the decision of the Bombay High Court in 21 Bom. L. R. under the Privy Council case in 20 Bom. L. R. was clearly applicable. That case His Lordship thought applied only to a case under Section 76 of the Railway Act. When there was a loss and the cause of the loss was not known to the plaintiff, it was but fair that the defendants must be made to place before the court the information within their knowledge. But where the plaintiffs alleged that

the loss was due to wilful neglect, theft etc., of the defendant company's agents and servants, the plaintiff must prove it. He was of opinion that the onus was on the plaintiffs. The risk note was clear that the Railway company would not be liable unless the loss fell within the three exceptions. It might appear hard to require the plaintiffs to prove all this. But the court had to administer the law as it stood. If consignors signed documents in those terms they must take the consequence of their act. It was for the legislature to amend the act if it operated harshly on consignors. His Lordship further ordered the plaintiffs to furnish the defendants with the particulars of the charges made by them against the company and its servants and agents.

Letter No. 84 dated 11th February 1921 from the Punjab Chamber of Commerce.

With reference to your letter No. 172-A. C. dated the 17th ultimo asking for the opinion of this Chamber on the points raised by the Bombay Chamber of Commerce regarding serial loading on Indian Railways, I am directed to inform you that this Chamber fully supports the resolutions of the Bombay Chamber of Commerce.

Letter dated 11th February 1921 from the Tuticorin Chamber of Commerce.

I am directed to inform you that your letter No. 174-A. C. dated 17th January, was placed before the ordinary monthly meeting of the Chamber to-day and that the following resolution was passed:—

"Resolved that the Associated Chambers of Commerce of India and Ceylon be informed that this Chamber considers that serial loading for Indian Railways would be a step in the right direction and that while it is not likely entirely to eliminate the malpractices referred to it will tend to mitigate some of the evils at present existing. This Chamber is, however, emphatically of opinion that Railways must be held responsible for all goods from the time they are delivered within Railway premises, otherwise, it is considered that complaints regarding consignments damaged or pilfered while awaiting despatch would be even more numerous than they are now.

Letter dated 17th February 1921 from the Upper India Chamber of Commerce.

I am directed to refer to your letter No. 173 of the 17th January on the subject of serial loading on Indian Railways.

The system of serial loading has been in force on the two main railways serving Cawnpore, viz., the East Indian and the Great Indian Peninsula Railways, for years, and has been found satisfactory.

No. 974-54.

Chamber of Commerce,

Bombay, 12th May 1921.

The Secretary to the Government of India,

Department of Commerce, Simla.

Sir,—I have the honour to inform you that the Hon'ble Mr. A. H. Froom upon the occasion of his visit to Simla in September last year was approached by the Legal Member of the Government of India and the Member for Commerce with regard to the question of malpractices on Indian Railways particularly in connection with the allotment of wagons, and the increase during recent years of pilferage from goods under consignment. The Hon'ble Members had stated in the above connection that the Government of India would be grateful if the Committee of this Chamber would give the matter their careful consideration and would submit, as the result of their enquiries, recommendations to Government with a view to the introduction of any ameliorative measures they might consider practicable.

A Sub-Committee of this Chamber was accordingly formed for the above purpose and the resolutions comprising their report, which has been approved by the General Committee of the Chamber, are given hereunder:—

RESOLUTION I.

"That the Sub-Committee are of opinion that the system of serial loading (vide Appendix A) which has been in force on the Great Indian Peninsula Railway for some years past has proved successful in meeting, to a large extent, the complaints of merchants in respect of

the differentiation in the allotment of wagons by local Station Masters. The Sub-Committee accordingly recommend that a similar system, subject to any alterations that may be necessary to meet special local conditions, be adopted, if possible, by all railway administrations throughout India.

RESOLUTION 2.

"That although the Sub-Committee understand that great care is taken by the railway administrations of such consignments, they are of opinion that the practice so largely followed by merchants during recent years, of despatching consignments at owner's risk, is, under present conditions, in the best interests of neither the railways concerned, nor the consignors, and should be curtailed so far as possible."—I have etc.,

H. ROYAL,
for Secretary

APPENDIX A

Extract from the General Rules of the General Classification of Goods in force on the G. I. P. Railway.

38-A.-REGISTRATION OF GOODS WAITING DESPATCH.

I. A sender desiring to despatch goods by railway will bring his goods into Railway Yard and stack them on the platform in a manner prescribed and in a position to be pointed out by the Railway Company.

II. Should the quantity of goods tendered be in excess of the accommodation available, the Railway Company will close its gates to the receipt of goods for despatch. The Railway Company will be the sole judge of when it is necessary to close its gates to the receipt of goods traffic, but it will endeavour to give notice at 18 hours the previous evening of its intention to do so. When the Railway Company opens its gates for the receipt of a limited quantity of goods only, on any day, the quantity to be received will be stated in the notice referred to.

III. When a consignment is complete and ready for despatch the sender will tender a consignment note to the clerk appointed for the purpose, and the latter will enter the same in a Register, and give it a serial number

which should be entered on the consignment note; and will indicate the order in which the consignments have been offered for despatch to the Railway Company. The sender or his agent tendering the consignment note for registration must sign his name in the appointed column as evidence that he releases the Railway Company from all liability until the Railway Receipt is granted.

IV. When wagons are available the consignment notes will be accepted from the sender and the consignments loaded according to the serial number marked on the consignment notes subject to the proviso that-

(i) When the consignment forms less than a wagon load, it may be forwarded out of turn by the daily road van service, or it may be detained by the Railway Company to secure a wagon load.

(ii) When the consignment is of a perishable nature, it shall be despatched at once.

(V) A Railway Receipt will not be granted until the consignment has been loaded, separate receipts being given for each wagon load.

(VI) The Railway Company will not be responsible for any goods that may be brought on their premises for despatch, until such time as they have been loaded and the Railway Receipt for the same given.

No. 3673.

Government of India,
Department of Commerce,
Simla, the 18th May 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed to acknowledge, with thanks, the receipt of your letter No. 974/54, dated the 12th instant, forwarding a copy of the resolutions passed by the Chamber of Commerce, Bombay, containing suggestions for improving the handling of railway traffic.

2. In reply, I am to inform you that your letter has been transferred, for disposal, to the Railway Department, (Railway Board), to whom all further communications on the subject should be addressed.—I have etc.

J. B. TAYLOR,
Under Secretary to the Government of India

No. 341 T-21.

Government of India,
Railway Department.
(Railway Board).
Simla, 9th June 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—In continuation of letter No. 3673 dated the 18th May 1921, from the Government of India, Department of Commerce, to your address, I am directed to state that the Resolutions reproduced in your letter No. 974-54, dated the 12th idem, are receiving consideration.—I have etc.

A. D. MANSON,
Assistant Secretary, Railway Board.

No. 696 of 1921.
Wheeler's Building, Hornby Road,
Bombay, 29 November 1921.

The Chairman, Chamber of Commerce,
Bombay.

Sir,—I have received orders from the Railway Board to report on the subject of the registration of requisitions for and allotment of waggons to merchants at stations on railways on this Circle which includes the G. I. P. and feeder lines.

2. Systems have been adopted by the Railway Administrations, as you are doubtless aware, with a view to ensuring as far as possible an equitable distribution of the available supply of waggons especially at times when the demand exceeds the supply.

3. The view of the Bombay Chamber of Commerce on this matter would be of the greatest value to me in

my enquiries and I have the honour to ask therefore the favour of an expression of your opinion whether the systems now in use have proved generally efficient and satisfactory or whether amendments are desirable in any respect.—I have etc.,

H. EUSTACE, Lt.-Col.,
Senior Government Inspector of Rlys.

No. 2315-54.

Chamber of Commerce,
Bombay, 29th December 1921.

Lieut.-Colonel F. R. H. Eustace,
Senior Government Inspector of Railways,
Bombay, Circle No. 6.

Sir,—I am directed to acknowledge receipt of your letter, No. 696, dated the 29th November 1921, in which the views of my Committee are invited upon the system of registration of goods waiting despatch in force upon the Great Indian Peninsula Railway.

2. In reply I am to state that my Committee consider that the system of serial loading which has been in force on the railway in question for some considerable time past has met with all the success that can reasonably be expected and that they regret that owing to a recent decision of the Bombay High Court, the administration concerned has now found it necessary to modify the existing procedure to a very considerable extent.

3. My Committee further understand that the question of insurance in the case of goods awaiting despatch presents serious difficulties which have also contributed towards the existing deadlock and I am to state that they would welcome legislation that would enable the system hitherto in force to be restored in such a manner as adequately to safeguard the interests of the administrations in the matter of insurance.—I have etc.,

C. B. SAYER,
Secretary.

APPENDIX M-2.

RAILWAY POLICE COMMITTEE.

No. 4-P.

Delhi, 15th January 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—With reference to the Government of India Resolution No. 114, dated the 13th January 1921, regarding the appointment of a Committee to enquire into the reorganization of the Railway Police in India. I am directed to inform you that the Committee will be visiting Bombay from about the 24th to the 30th January, and I am to ask that in the event of the President or any members of your Chamber being desirous of placing their views before the Committee, you will kindly furnish me with the names of these gentlemen.

2. I enclose 5 copies of the questions which Railway and Police officials are being asked to answer. They will serve as a guide to the scope of the enquiry and in this way may, it is hoped, prove useful to any members of your Chamber who wish to lay their views before the Committee.—I have etc.,

H. C. HUNT,
Secretary,
Railway Police Committee.

QUESTIONS FOR RAILWAY OFFICERS.

1. How are the members of the watch and ward establishment appointed and supervised ?

2, From what castes are the men drawn, and is any enquiry as to character made before appointment ?

3. Is an improvement in the class of men enlisted desirable ?

4. Do you consider that the system of having the watch and ward establishment under the Traffic Department works satisfactorily ? If not, what are the defects and what remedies would you suggest ?

5. What is the system :

(*a*) of checking goods at time of loading, unloading and transhipment ;

(*b*) of supervising the staff employed in handling goods ;

(*c*) of fastening and sealing wagons ;

(*d*) of seal checking, and

(*e*) of guarding loaded wagons in yards and on running trains.

Do you consider the systems in force satisfactory ?

6. Are the lighting and fencing-in of goods sheds and transhipment sheds satisfactory ?

7. Are pilferages or thefts from :

(*a*) goods sheds of goods booked or unbooked ;

(*b*) transhipment yards ;

(*c*) goods trains, and

(*d*) passenger trains (luggage booked or unbooked) frequent on your railway, and do the Railway Police take any cognizance of such cases, or measures to prevent such losses ? If not, do you consider that they should do so ?

8. Are pilferages from consigments of particular classes of goods : (*a*) arms and ammunition, (*b*) fresh fruit (*c*) liquor, (*d*) fish, numerous on your railway ? What, if any, special arrangements are made for the protection of such consignments ?

9. Are reports of shortages or missing goods from seal-intact wagons made to the Railway Police for enquiry ? If not, how are such cases dealt with, and what is the system of investigation in cases investigated by the railway authorities ? What are the main difficulties encountered ?

10. What is the difference between arrangements made for the safety of :—

(*a*) goods at owner's risk, and

(*b*) goods carried at railway risk ?

11. How far is such pilferage as takes place due to the act of connivance of the railway staff ?

12. Is there any want of co-operation between different departments of the same railway or between different railways in regard to claims ?

13. Are you of opinion that the present allocation strength and working of the police on your railway are satisfactory? In what particulars, if any, are alterations required, in your opinion?

14. Is there any want of co-operation between the members of the railway staff and the railway police, and are you aware of any ill-feeling between subordinates of the two departments?

15. Is any more effective system of *liaison* possible, *e.g.*, by deputing railway officers to the railway police and police officers to the railway temporarily, or by the employment of police officers in the Claims Branch of the Traffic Department?

16. Is any system of rewards in force in the Claims Department, *e.g.*, are rewards given for recovery of goods.

(*a*) in proportion to the value of goods recovered;

(*b*) out of the sums set apart by the railway administration to cover claims,

(*c*) out of fines?

17. Are fines imposed as punishments by the railway authorities in cases where negligence or connivance in regard to losses is proved or suspected?

18. Is there much unreported loss of crime? If so, why are reports not made?

19. The Railway Police are at present organised on a provincial basis. Would any other system of organization, in your opinion, be an improvement on this *e.g.*, (*a*) imperialisation, (*b*) an organization which would take the railway system as the unit and make the Superintendent of Police for most purposes the Head of a Railway Department; (*c*) a system under which the railway police would be amalgamated with the district police.

20. Can you give any instances of malpractices on the part of the railway or police subordinates which have come under your own immediate observation? and can you suggest any measures for checking such malpractices?

21. Have you any suggestions to make on any other points germane to the enquiry?

QUESTIONS TO BE ANSWERED BY RAILWAY POLICE OFFICERS.

1. Do you consider that the system of having the watch and ward establishment under the Traffic Depart-

ment works satisfactorily? If not, what are the defects and what remedies would you suggest? Do you consider any improvement in the class of men enlisted desirable?

2. What is the system—

(*a*) of checking goods at time of loading, unloading and transhipment;

(*b*) of supervising the staff employed in handling goods;

(*c*) of fastening and sealing wagons;

(*d*) of seal checking, and;

(*e*) of guarding loaded wagons in yards and on running trains?

Do you consider the systems in force satisfactory?

3. Are the lighting and fencing-in of goods sheds and transhipment sheds satisfactory?

4. Are pilferages or thefts from—

(*a*) goods sheds of goods booked or unbooked;

(*b*) transhipment yards;

(*c*) goods trains; and

(*d*) passenger trains (luggage booked or unbooked) frequent on the length of railway in your charge and do the railway police take any cognizance of such cases, or measures to prevent such losses? If not, do you consider that they should do so?

5. Are pilferages from consignments of particular classes of goods:—(*a*) arms and ammunition, (*b*) fresh fruit, (*c*) liquor, (*d*) fish—numerous on the length of railway in your charge?

What special arrangements are made for the protection of such consignments?

6. Are reports of shortages or missing goods from seal-intact wagons made to the railway police for enquiry?

What is the system in force with regard to the registration and investigation of such cases?

7. How far is such pilferage, as takes place, due to the act or connivance of the railway staff?

8. Are cases of shortages from wagons with broken seals registered and investigated as thefts immediately on report being made?

9. What are the arrangements in force regarding seal checking? What is the strength of the special force (if any) told off for this duty, and is it carried out at all stations and out-posts where there are railway police or only at the boundaries of jurisdictions?

10. Are railway police sent out at night with goods trains for the purpose of watch and ward? If so, please furnish brief particulars of the arrangements so made. If not, what measures are taken to prevent thefts from goods trains?

11. Are head constables and constables deputed as train guards with all night trains for the protection of passengers and their property? If so, what is the system in force? How many men are employed and for how many hours are they so employed? Is the system effective?

12. Are such guards deputed with day trains?

13. Are cases of forged currency notes received at stations or in cash offices, registered by the railway police? If not, how are such cases dealt with?

14. Is there much unreported loss or crime? If so, why are reports not made?

15. Is railway crime mostly the work of local thieves? When do most offences occur as regards (*a*) passengers and their luggage, (*b*) goods, (*c*) in stations, at goods sheds, etc.?

16. Is there any want of co-operation between the railway and the district police in British India or in Native States?

17. Can you instance any cases of malpractices on the part of railway and police subordinates which have come under your own immediate observations, and can you suggest any measures for checking such malpractices?

18. Under what rules and by whose orders are members of the Railway Police Force at present recruited, transferred, promoted, etc., and do you consider that the system requires alteration? Is the quality of the officers and men satisfactory?

19. Is service in the railway police popular? Is the *personnel* interchangeable with that of the district police?

20. Are there complaints of too frequent transfers of gazetted officers?

21. Have you a system of fixed travelling allowance ? If not, are you in favour of such a system for officers and men ?

22. Are quarters provided for officers and men ?

23. Is life in the railway police service regarded as unhealthy ?

24. Are punishments or rewards more frequent than in the district police ?

25. Are you of opinion that the present allocation, strength and working of the police are satisfactory ? In what particulars, if any, are alterations required ?

26. What railway police reserve is there, and have you any proposals to make regarding the sufficiency or allocation of the police reserves on the railway or railways with which you are connected ?

27. Is there any want of co-operation between the members of the railway staff and the railway police, and are you aware of any ill-feeling between the subordinates of the two departments ?

28. Is any more effective system of *liaison*, possible, *e.g.*, by deputing railway officers to the railway police and police officers to the railway temporarily or by employing police officers permanently in the claims branch ?

29. What are the principal difficulties encountered in railway police investigations? What have you to suggest for their removal ? In particular have you reason to complain of (1) delay in reporting, (2) difficulties due to reference to other jurisdictions, (*e.g.*, district police or railway police of another division or province) or to railway authorities ?

30. What are the rules regarding the investigation of cases occurring within railway limits and providing for the co-operation of the district police in the investigation of such cases ? Are these rules satisfactory ?

31. What is the present rule defining the limits of railway police jurisdiction and do you consider it satisfactory ?

32. Have you any system for the special training of railway police officers and men ? Do you think such a system is likely to give useful results ?

33. Have you a special detective staff ? If so, describe its organisation ? Do you consider this system likely to improve detection ?

34. What are the arrangements in force for the prosecution of railway cases? Are they satisfactory?

35. The railway police are at present organised on a provincial basis. Would any other system of organisation in your opinion be an improvement on this, *e. g.*, (*a*) imperialisation, (*b*) an organisation which would take the railway system as the unit and make the. Superintendent of Police for most purposes the Head of a Railway Department, (*e*) a system under which the railway police were amalgamated with the district police.

36. Are the railway police liable to be called on to provide special guards in times of unrest, strikes, etc.? If so, can such arrangements be made without interfering prejudicially with the general work of the railway police?

37. How are the Superintendent's charges distributed in your province?

38. Have you any further suggestions to make on matters germane to the present enquiry?

No. 222-66.

Chamber of Commerce,
Bombay, 29th January 1921.

The Secretary, Railway Police Committee,
Town Hall, Bombay.

Sir,—I have the honour to inform you that Mr. V. A. Grantham will give evidence on behalf of this Chamber before the Railway Police Committee, on Friday the 28th instant, at 10-30 a. m. as arranged.—I have etc.,

H. ROYAL,
for Secretary.

Summary of evidence given by Mr. V. A. Grantham, on behalf of the Chamber, before the Railway Police Committee.

The question enumerated in the two lists are chiefly connected with the working of the Railway Police and I, therefore, propose to confine my evidence to questions 5 (c) and 6-12 and 20.

5. c. Lead seals might to used instead of sealing wax, the lead seals to bear an impression of the name of the loading station.

6. Fencing-in of goods sheds is conspicuous by its absence in the smaller up-country stations.

7. Pilferages and thefts would appear to occur after the goods have been loaded. Goods are nearly always loaded in the presence of responsible loading clerks employed by the private firms. It is impossible to say whether such pilferages occur in the transhipment yards, or at the stations where the goods are finally loaded, or in transit, but the Railways plead "running train theft" in a great number of cases.

Instances have been known of wagons arriving with seals apparently intact, where the contents have been tampered with.

8. Pilferages are, as a rule, from consignments of foodstuffs, clothing or oil.

9. Reports of shortages are usually made direct to the Railway Company concerned and not to the Railway Police. The chief difficulties encountered are

(a) Delay in obtaining statisfaction in connection with claims. We do not consider that this delay is unduly great considering the channels through which claims must be made.

(b) The habit of the Railways of refusing responsibility by pleading "running train thefts"; "Loss due to causes beyond the control of the Railway" etc.

We prefer making reports to the Railway Company to making them to the Police.

10. As far as we know, there is no difference in the arrangements made, but we are not, of course, in a position to speak definitely on this point.

The Railway refuse to carry certain goods at Railway Risk in seasons other than the Monsoon and in a good many cases, the Railway Risk rates are so high as to be prohibitive. We suggest that the "Railway risk" rates be made more favourable in order to permit of a larger number of consignments being sent on those terms.

We suggest that the Railway Risk notes be amended so that the onus of proof be not thrown on to the merchants.

11. It does not seem possible for goods to be pilfered in a larger goods yards without the connivance of police and railway officials, nor could goods be extracted from sealed wagons without such connivance.

12. As far as we know, there is no want of co-operation.

20 No. We have heard of numerous instances of thefts in up-country yards taking place under the nose of the Railway Police but we are not prepared to quote definite instances.

We suggest better supervision by the superior grades of Police.

APPENDIX M-3.

RAILWAY TRANSPORT FACILITIES.

Bombay, 19th October 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—In view of the considerably larger crops of cotton, seeds, and other produce which, thanks, to the favourable monsoon, may be expected this year, those members of the Chamber interested in the movement on these crops must feel some apprehension with regard to adequate transport arrangements by the Railways concerned. For reasons well known, the railways have been unable for several years past to cope satisfactorily with the volume of traffic offering, and the great paucity of rolling stock has called forth the equally well known abuses on the part of the subordinate railway staff connected with the distribution of wagons, etc.

We understand it was at one time the opinion of railway officials that by the end of the current year the railways would again be in a position to cope with normal traffic in a normal manner inasmuch as they would then have a sufficient supply of wagons and locomotives. We would now ask whether the Chamber has any recent information on these points. If not, we would suggest that the Railways concerned be addressed and be asked in what manner they expect to cope with the increased traffic which may be expected during the coming Winter and Spring months.—We are, etc.,

per pro. Volkart Bros,
L. VOLKART.

No. 2057-260.

Chamber of Commerce,
Bombay, 11th November 1921.

The Secretary, Railway Department,
(Railway Board), Delhi.

Sir,—I am directed to state that my Committee are anxious to ascertain whether the railway administrations concerned anticipate any difficulty in making adequate arrangements for the transport of the larger crops of cotton, seeds and other produce which may be expected as a result of this year's favourable monsoon. That the railways for several years past have been unable to cope satisfactorily with the comparatively small volume of traffic then offering is a matter of common knowledge and the late Chairman of this Chamber voiced the general opinion when, in his speech at the Annual General Meeting in April last, he said :—

> "The existing equipment of our railways is insufficient to meet the present requirements of the internal coal trade. What would have been our position as regards coal had the railways been required to move. . . . . the surplus harvests of bumper crops ?"

2. My Committee understand that it was at one time the belief of several railway officials that a reversion to, approximately at any rate, pre-war conditions might be expected by the end of the current year but, from the information now before them in that connection, they cannot see how even so moderate a standard is likely of attainment.

3. My Committee are fully aware that the question has been recently dealt with in the Report of the Indian Railway Committee, and it is their hope that the proposals therein made will in due course remove the anomalies which have in the past interfered with the adequate upkeep of the Railways.

4. It can, however, hardly be hoped that the recommendations of that Committee will have any immediate influence on the situation as it exists to-day, and my Committee feel that the present situation is so serious, and that the inability of the railways to cope with any large volume of traffic will have such grave consequences to the trade of Bombay, that they are justified in again

asking that steps be taken to improve the state of railway facilities.

5. While this letter is no doubt too late to have any effect on the position in the critical months of the present cold weather, my Committee trust that it will be at least possible to make some improvement in the near future. I am to say that my Committee understand that there are in fact resources from which the railways might have secured considerable help in the way of rolling stock but for the incidence of the present rules as to "lapsing grants" and of the redistribution of finance even within the year to which it was allocated, and I am to express the earnest desire of my Committee that a rational and far-sighted programme of development may be substituted as soon as possible for the present policy of working from day to day.—I have etc.,

C. B. SAYER,
Secretary.

No. 2064-260.

Chamber of Commerce,
Bombay, 12th November 1921.

Messrs. Volkart Brothers,
Bombay.

Dear Sirs,—I am directed to acknowledge receipt of your letter, dated the 19th October 1921, in regard to the question of the ability of the Railways in India to cope with the anticipated increased volume of traffic in the coming busy season and to inform you that my Committee have made a representation to the Railway Department of the Government of India upon the subject. On receipt of a reply a further communication will be addressed to you.—Yours faithfully,

C. B. SAYER,
Secretary.

No. 725 T-21.

Government of India,
Railway Department, (Railway Board.)
Delhi, 18th November 1921.

The Secretary, Chamber of Commerce,
Bombay.

Improvement of railway facilities with a view to assisting the trade of Bombay.

Sir,—I am directed to acknowledge the receipt of your letter No. 2057-260 dated the 11th November 1921, on the

subject noted above, and to state that the matter is receiving attention.—I have etc.,

A. D. MANSON,
Asst. Secretary, Railway Board.

APPENDIX M-4

RAILWAY RISK NOTES FORMS B. & H.

The Agra Trade Association,
Strand Road,
Agra, 2nd April 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear sir,—I am directed to forward the following resolution passed at a meeting of the Executive Committee of this Association held on Thursday the 31st March 1921, for your information and necessary action.

"That Railway risk notes forms B and H are detrimental to the interest of trade because under their protection and pretence the railway staff and the coolies commit theft as they can safely assert that by virtue of these forms the railway companies are not responsible for any loss or damage. Somehow or other they have got High Court ruling also in their favour and according to these decisions the owner of the goods must prove the theft and not the railway company from whose possession the goods have been lost. It cannot be within the power of any man to prove how and where the theft was committed. Under these circumstances traders cannot seek redress from the courts and so this committee strongly condemns these forms and recommends their discontinuance. In case it be necessary to keep those forms in use, they may be restricted to goods liable to be destroyed by fire or damaged by rain."—

Yours faithfully,

A. SINGH,
Hon. Secretary.

No. 830/147.

Chamber of Commerce,
Bombay, 21st April 1921

The Honorary Secretary,
Agra Trades Association,
Strand Road, Agra.

Dear Sir,—With reference to your letter No. 812 of the 2nd instant, I am directed to inform you that my Committee have recently placed their views in connection with the question of Railway risk notes before the Associated Chambers of Commerce of India and Ceylon. I am to add in this connection that my Committee are of opinion that the Railway risk notes should be amended so that the onus of proof should not entirely lie with consignees.—Yours faithfully,

H. ROYAL,
Secretary.

APPENDIX M-5

RAILWAY SURCHARGE ON FLOUR.

No. 839.

The Agra Trade Association,
Strand Road,
Agra, 28th April 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—At a meeting of the executive committee of this Association a resolution was passed on the severity and evil effects of the 2½ as. surcharge is likely to produce upon the trade of India which is already so dull.

I am, therefore, directed to request you kindly to move the Government to remove the surcharge tax or modify it in the manner it may not prove detrimental to the interests of trade.—Yours faithfully,

A. SINGH,
Hon. Secretary.

No. 975-165.

Chamber of Commerce,
Bombay, 12th May 1921.

The Honorary Secretary,
The Agra Trade Association, Agra.

Dear Sir,—I am directed to acknowledge receipt of your letter, No. 839 of the 28th ultimo, in which you ask this Chamber to move the Government of India to remove the surcharge on Railway freight or to modify it.

In reply I am to state that as it was found necessary to increase railway freights in order to provide the additional money required for railway expenditure during 1921-22 pending the detailed examination of the various tariffs, which it is understood is in progress, my Committee do not know of any fairer method than an all round surcharge.

In this connection I am to remind you that the present surcharge has been passed for one year only and will cease on the 31st March 1922 unless re-imposed by the Indian Legislature.—Yours faithfully,

H. ROYAL,
for Secretary

No. 942-151.

Chamber of Commerce,
Bombay, 7th May 1921.

The Secretary to the Government of India,
Finance Department, Simla.

Sir,—I have the honour by direction of the Committee of the Bombay Chamber of Commerce to draw your attention to Schedule IV of the Indian Finance Act of 1921, which provides, *inter alia*, for a surcharge of two and a half annas per rupee of net freight payable on all goods carried by railways, including coaching traffic, but excluding food grains and pulses, firewood and fodder. My Committee are informed that flour, which is really crushed "food grains," is not so excluded.

2. In this connection I am to state that the Bill as amended by the Legislative Assembly exempted "foodstuffs", but when it was pointed out in the course of the debate in the Council of State that this term might be

held to include all sorts of edibles such as ghee, fish, etc. the present wording was adopted.

3. My Committee understand that it was the intention of the Legislature to include "flour" under "food-stuffs" but as "flour" is not a "food grain" the Railway Department of the Government of India are adhering to the strict interpretation of the wording of the Act.

4. Under the circumstances my Committee strongly urge that flour should be specifically exempted from the surcharge and they therefore suggest that Government should issue, as soon as possible, a ruling to the effect that for purposes of Schedule IV of the Finance Act, 1921, the term "food grains" should be held to include "flour".—I have etc.,

H. ROYAL,
for Secretary.

No. 944-151.

Bombay, 7th May 1921.

Copy forwarded to the Commerce Department, Government of India, Simla for information.

H. ROYAL,
for Secretary.

No. 1498-F.

Government of India,
Finance Department,
Simla, the 14th May 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed to acknowledge the receipt of your letter No. 942-151 of 1921, dated the 7th May 1921, regarding the proposed exemption of "flour" from the surcharge on freight payable on goods carried by Railways, and to say that it will be submitted for the consideration of the Government of India.—I have etc.,

A. C. MUKHERJI,
Assistant Secretary to the Government of India.

No. 1634-F.

Government of India,
Finance Department,
Simla, the 27th May 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—In continuation of my letter No. 1498-F, dated the 14th may 1921, I am directed to state that the Government of India have decided to exempt flour from the payment of Railway surcharge with effect from the 1st June 1921. Necessary instructions have been issued to the Railways and a notification is being published in to-morrow's Gazette of India.—I have etc.,

A. C. MUKHERJEE,
Assistant Secretary to the Government of India

No. 1635-F.

Copy, with a copy of the Bombay Chamber's letter No. 942-151, dated the 7th May 1921, forwarded to the Railway Department.

APPENDIX M-6.

RAILWAY DEMURRAGE.

No. G. 715-21

Tata Iron and Steel Co., Ltd.,
Navsari Buildings, Fort,
Bombay, 10th May, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—We beg to bring to the notice of your Chamber the difficult position of industries as regards their liability for payment of demurrage charged by Railways on account of wagons held up in consequence of a general strike at their works.

2. Owing to a general strike at our works at Jamshedpur in March 1920, which lasted for 26 days, several wagons of the Bengal-Nagpur Railway carrying load on our account were held up either at the Exchange sidings

at Tatanagar or outside the Exchange sidings and at wayside stations. The Bengal-Nagpur Railway charged us over Rs. 1,00,000 (one lakh) for demurrage during the whole period of the strike on account of such detention. Our General Manager protested against the payment of these charges but ultimately paid the same having regard to our close association with the Railway in question.

3. Subsequently we took up the question with the Railway with a view to arriving at some arrangement whereby in the event of strikes at our works, we could avoid these charges in future.

4. The Bengal-Nagpur Railway state that they are unable to give us any relief or to come to any arrangement with us, as under the existing Rules for interchange of wagon stock, every foreign Railway wagon on the B. N. Railway is qualifying for hire charges which have to be met by the B. N. Railway and under the present system of a General pool two-thirds of the B. N. Railway traffic is carried in wagons of foreign Railways.

5. With the present disturbed condition of labour this question is likely to become one of the considerable importance to all industries in the country and we think it would be as well to represent to the Government and the Railways that some definite principle should be laid down. The argument that the benefit of 'force majeure' should not apply in the case of transport because wagons are at present pooled seems to have no particular validity. In such a case it could be arranged between the Railways concerned that any concession extended to an industry affected by the strike should be shared between them proportionately,

6. We understand that the question of exempting wagons from hire charges, when such wagons are detained on account of strikes on Railways, is one of the subjects to be discussed at the next Railway Conference to be held some time in October next.

7. We therefore suggest that your Chamber should take up this question, which, no doubt, you will agree is of considerable importance to all industries, with the Railway Board, and we suggest that in future it should be accepted as a principle that where a strike breaks out at the Works of a Company without warning while wagons are actually in transit, then such Company should not be held liable for demurrage, but where

wagons are loaded and despatched at the request of the Company after a strike has broken out, the Company should be held liable for demurrage.

8. Copies of this letter are being sent to the Bengal Chamber of Commerce, the Indian Merchants' Chamber & Bureau, the Jute Mills Association, the Cotton Mills Association, the Metallurgical Industries Association, and the Madras Chamber of Commerce.—We have etc.,

Tata Sons, Ltd., Agents,
JOHN PETERSON,
Director.

No. 1039-173.

Chamber of Commerce,
Bombay, 19th May, 1921,

Messrs. Tata Sons, Ltd.,
Agents, The Tata Iron and Steel Co., Ltd.,
Bombay.

Dear Sirs,—I am directed to acknowledge receipt of your letter, No. G-715-21 of the 10th instant, in connection with the question of the liability of a company to pay demurrage on railway wagons held up owing to a strike at the works of the Company.

2. In reply I am to state that, while my Committee fully appreciate your difficulties in the matter, they feel that it is not possible for the Chamber to take up the question with the Railway Board on general grounds, as, in their opinion, each case, when it arises, should be a matter for adjustment between the Railways and the Company concerned, and should be decided on its own merits.—Yours faithfully,

H. ROYAL,
for Secretary.

G. 1098-21.

Bombay, 9-12th July, 1921,

The Secretary, Railway Board,
Simla.

Sir,—We beg to bring to the notice of Government the difficult position of industries as regards their liability for payment of demurrage charged by the Railways on account of wagons held up in consequence of a general strike at their works.

2. Owing to general strike at our works at Jamshedpur in March 1920 which lasted for 26 days, several wagons of the Bengal-Nagpur Railway carrying load on our account were held up either at the Exchange Siding at Tatanagar or outside the Exchange Siding and at wayside stations. The Bengal-Nagpur Railway charged us over Rs. 1 lac for demurrage during the whole period of the strike on account of such detention. Our General Manager protested against the payment of these charges but ultimately paid the same having regard to our close association with the Railway in question.

3. Subsequently, we took up the question with the Railway with a view to arriving at some arrangement whereby in the event of strikes at our works, we could avoid these charges in future.

4. The Bengal Nagpur Railway state that they are unable to give us any relief or come to any arrangement with us, as under the existing rules for interchange of wagon stock, every foreign wagon on the Bengal Nagpur Railway is qualifying for hire charges which have to be met by the Bengal Nagpur Railway and under the present system of a general pool two-thirds of the B. N. Railway traffic is carried in wagons of foreign Railways.

5. With the present disturbed conditions of labour, this question is likely to become one of considerable importance to all industries in the country and we therefore request the Railway Board to take up this question with the Railways and to lay down some definite principle. The argument that the benefit of "force majeure" should not apply in the case of transport because wagons are at present pooled, seems to have no particular validity. In such a case, it could be arranged between the Railways concerned that any concession extended to an industry affected by a strike should be shared between them proportionately. We might here point out that in the event of a sudden strike occurring on a Railway which would prevent the delivery of raw material to the works the Railway would certainly claim that it was prevented from delivering by "force majeure" and would refuse to entertain a claim for damages although such non-delivery might cause very heavy loss. It seems to us a one-sided arrangement that when the Railway is protected by "force majeure", if unable to effect delivery, an industry is not protected in the same way, though unable to take delivery for a precisely similar reason.

6. We understand that the question of exempting wagons from hire charges, when such wagons are detained on account of strikes on Railways, is one of the subjects to be discussed at the next Railway Conference to be held sometime in October next. We would suggest that the question of extending similar exemption to industrial concerns in the event of a sudden strike, should be taken up at the same time. We have made enquiries as to the practice prevailing in matters of this kind in England and we quote from a letter which we received from our London House which summaries the opinion of certain manufacturers in England who were consulted by them :—

"It is considered that the only way in which to arrive satisfactorily at conclusion in the direction you indicate is by mutual recognition of exigencies and as a consequence the setting up of factors for compromise as betwixt the contending parties.

"The main point of issue to our mind is this : Did the strike at works occur before the material has been loaded up and left the mines or seaport ? or did the strike occur in the interval as betwixt the trucks leaving the point of despatch, namely, the mines or ports and arrival at works ?

"The general opinion is that if the strike conditions arose during the interval as betwixt the material leaving the sending off point and the receiving point, then you ought to be scarcely considered as liable or suffer by the conditions of demurrage. But if, on the other hand, you had any notice or indication of any kind that a strike was likely to arise, then it is considered that you should have advised the Railway Authorities that you were anticipating such trouble and as a consequence you should have either given instructions to carriers to hold up your material or to have entered into such arrangements with the Railway authorities as to have enabled you to come to a mutual understanding as to what should be done in the circumstances.

"These are all of course moot points but it is our opinion, supported by those who have even greater experience and knowledge than ourselves, that they are conditions that can only be settled by compromise, and this based upon suggestions which we have made as to the conditions prevailing on the spot at the time".

We therefore suggest that in future it should be accepted as a principle that when a strike breaks out at the works

of a Company without warning while wagons are actually in transit, then such Company should not be liable for demurrage, but when wagons are loaded and despatched at the request of the Company after a strike has broken out, the Company should be held liable for demurrage.—We have etc.,

Tata Sons, Ltd., Agents,
JOHN PETERSON,
Director.

No. G. 1104-21.

Bombay, 13-7-21.

Copy forwarded to the Secretary, Chamber of Commerce, Bombay for information.

No. 337 T-21.
Government of India,
Railway Department,
Railway Board.
Simla, 25th July, 1921.

Messrs. Tata Sons, Ltd.,
Agents, The Tata Iron and Steel Co. Ltd..
Navsari Buildings, Fort, Bombay.

Liability of Industrial concerns to pay demurrage charges incurred on wagons held up in consequence of strikes at their works.

Gentlemen,—I am directed to acknowledge the receipt of your letter No. G. 1098/21 dated the 9-12th July 1921 on the subject noted above and to say that it has been forwarded to the Indian Railway Conference Association for consideration.—I have etc.,

B. STANLEY,
Asstt. Secretary, Railway Board.

No. G. 1220-21.

Dated 30th July, 1921.

Copy forwarded to the Secretary, Chamber of Commerce, Bombay, for their information with the compliments of the Tata Iron and Steel Company, Ltd.

Tata Sons Ltd., Agents.
Sd. Illegible.

No, 2221-173.

Chamber of Commerce,
Bombay, 10th December 1921.

Messrs. Tata Sons, Ltd.,
Agents, The Tata Iron & Steel Company Ltd.,
Bombay.

Dear Sirs,—I beg to invite a reference to your endorsement No. G. 1220-21, dated the 30th July 1921, and previous correspondence, and in connection therewith to enquire whether the decision of the Indian Railway Conference Association on the subject under reference has yet been communicated to your board.—Yours faithfully,

C. B. SAYER,
Secretary.

G. 1889-21.

The Tata Iron and Steel Co., Ltd.
Navsari Buildings, Fort,
Bombay, 17th December 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—With reference to your letter of the 10th instant, No. 2221-173, we enclose herewith copy of a letter No. 3166-4 of the 23rd November from the Secretary, Indian Railway Conference Association, intimating that the Railway Conference in October last resolved that the above matter was one for mutual arrangement between industrial companies and the railways concerned.—Yours faithfully,

Tata Sons Ltd., Agents,
By their constituted Attorney.
H. S. AIYAR.

No, 3166-4.

27, Stanley Road,
Allahabad, 23rd November 1921.

Messrs. Tata Sons Limited.,
Agents, The Tata Iron & Steel Co., Limited.,
Navsari Buildings, Fort, Bombay.

Sir,—With reference to your letter No. G. 1098-21 dated the 9th-12th July 1921 to the Government of India, Railway Department, which was forwarded to the Indian Railway Conference Association for disposal, on the subject of the liability of industrial concerns for de-

murrage on railway wagons during a general strike at the works of such companies, I am directed to state that in the consideration given to the subject at the Railway Conference in October last, it was resolved that the matter was one of mutual arrangement between industrial companies and the railways concerned.—I have etc.,

C. V. BLISS,
Secretary.

APPENDIX M-7

COAL SUPPLY.

Note.—The first two letters of the following correspondence are not referred to in Vol. I of the Chamber's Report for 1921 but are printed here with a view merely to complete the correspondence resting in page 497 of the Report for 1920 Vol. II.

No. 331 T-20.

Government of India,
Railway Department,
Simla, the 14th of May 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed to invite attention to the correspondence resting with letter No. 8190 dated the 23rd November 1920 from the Government of India, Department of Commerce, to your address, and to express regret that the reply which was prepared in December 1920 in this Department to whom your letter No. 2024-70 dated the 12th November 1920 had been transferred for disposal, was not issued through an oversight. The reply is enclosed.

2. It will be understood that the coal transport position has changed considerably since, and that the present system of supplying wagons under X-Class certificates will shortly be replaced by the new scheme for the distribution of coal wagons which has been prepared, with the sanction of the Government of India, by the Coal Transportation Committee, Calcutta. The scheme has been outlined in a Notice issued by the Committee to all Colliery Proprietors, Managing Agents and others in charge of Collieries in the Provinces of Bengal and Bihar and Orissa. A copy of the Notice which has appeared in most of the daily papers is enclosed for ready reference. A copy each of the Press Communique

issued by this Department on the 21st March 1921 and of the Informal Committee's Report referred to therein, is also enclosed for information.—I have etc.,

S. D. MANSON,
Assistant Secretary, Railway Board.

No. 331 T-20.

Government of India,
Railway Department,
Delhi, December 1920.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—With reference to your letter No. 2024-70 dated the 12th November 1920, to the address of the Secretary to the Government of India, Department of Commerce, which has been transferred to this Department for disposal, I am directed to state that when the Coal Special Indent System was abolished at the end of last year, the intention was that the pre-war system of wagon allotment should be reverted to and "X" class assistance given only in very exceptional cases of emergency. As the wagon supply continued in defect, however, it became necessary to grant such assistance on an extensive scale, so that the minimum requirements of at least the larger industrial concerns could be arranged for after the more pressing calls for the transport of R. I. M. Shipment, Bunker and Locomotive coal had been met. The result of this was that the number of wagons available for allotment *pro rata* to collieries in the Public Supply Class became small.

2. In regard to industrial consumers in Western India, I am to state that "X" class assistance in the matter of wagon supplies is still being given by the Coal Transportation Officer, on the recommendations of the Coal Certifying Authority, Bombay, and the Ahmedabad Millowners' Association. The order of priority observed at present in granting such assistance is similar to that which was followed while the Coal Special Indent System was in operation.

3. As regards the complaint that certain collieries are refusing to implement their contracts and are auctioning their coal instead, I am to add that Government has no powers to prevent this in the case of coal loaded in wagons supplied on the *pro rata* basis.—I have etc.,

Assistant Secretary, Railway Board

Note.—Appendix M.-7 proper begins here.

No. 1052-A. C.

Royal Exchange,
Calcutta, 20th December 1920.

The Secretary, Chamber of Commerce,
Bombay.

The Coal Question.

Dear Sir,—I am directed to hand you the attached copy of a letter, No. 3501 dated 20th December 1920, from the Bengal Chamber of Commerce, with an enclosed circular, with reference to this question.—Yours faithfully,

H. M. HAYWOOD,
Secretary.

Letter No. 3501-1920 dated 20th December 1920 from the Bengal Chamber of Commerce, Calcutta, to the Associated Chambers of Commerce of India and Ceylon.

Letter No. 3465 dated 15th December 1920 from the Bengal Chamber of Commerce to the Government of India, Department of Commerce and Industry.

I am directed to express the hope of this Chamber that the Associated Chambers will be able to see their way to support the marginally cited representation on the coal question. In view of the urgency of the question perhaps the Chambers, assuming that they are in accord with the Bengal Chamber, will each write, or telegraph direct to the Government of India.

Circular No. 568-1920.

Bengal Chamber of Commerce,
Royal Exchange,
Calcutta, 18th December 1920.

To,

(All Members of the Chamber).

The Coal Question.

Dear Sirs,—The subjoined letter, in this connection, is published for the information of members.

Yours faithfully,
H. M. HAYWOOD.
Secretary.

Letter No. 3465—1920.

Dated Calcutta, the 15th December 1920.

From
The Secretary,
Bengal Chamber of Commerce,

To
The Secretary to the Government of India,
Department of Commerce and Industry.

I am directed to refer to your notification, No. 4274 dated 24th July 1920, prohibiting the export of coal from British India except under license.

2. The aim of the Government in deciding upon this step, which was taken at the instance of the Bengal Chamber of Commerce, was to divert bunker coal for Indian ports from the all-rail to the part-rail, part-sea, route. The notification has been in operation for more than four months; and it is now possible to gauge to some extent the effect of the control which it introduced. From an average of 59,752 tons monthly in March, April, May and June of this year, the total exports of coal from Calcutta to Indian ports have risen to an average of 123,169 tons in the four months August, September, October and November. It may be claimed therefore that the control has been to some extent successful. Unfortunately, however, the general coal position has in the meantime deteriorated; and, if immediate remedial measures are not taken, it must get progressively worse.

3. It is the industrial consumer who is now complaining of the scarcity of coal. The jute mills in and around Calcutta are very large industrial consumers; and their organisation, the Indian Jute Mills Association, recently submitted to the Chamber the following comparative statement of stocks of coal held by the mills :—

October 1918	...	... 133,799 tons.
„ 1919	...	... 126,525 „
„ 1920	...	... 27,000 „

4. From this statement it is clear that the mills have been of late so seriously under-supplied that they have run down their stocks to danger point. And their position in this respect is not singular. On the contrary it may be accepted that every other class of industrial consumer in the neighbourhood of Calcutta is in precisely the same position. On matters being represented to them by the Mills Association, the Committee of the Chamber

appointed a small Sub-Committee, of three of their members, to discuss the question with the Licensing Officer, Mr. A. H. Lloyd, I. C. S., and the Coal Transportation Officer, Mr. F. C. Legge, C. B. E. They then arranged for a further and fuller discussion at a meeting which was held on the 3rd December, and at which, on their invitation, the Government of India, the Railways, the Calcutta Port Commissioners, the coal trade, the jute mills, and indeed all interests affected were represented.

5. I am to attach to this letter copies of the report of the proceedings of the Sub-Committee and of the meeting on the 3rd December; and I am to invite the Government of India to consider attentively the facts and figures set out in these documents. For to the Committee of the Chamber the position, as disclosed by Mr. Innes, Mr. Lloyd and Mr. Legge, appears to be so grave as to make its urgent consideration by Government imperative. It will be seen, from the estimate supplied by Mr. Innes, that 3,025 wagons are wanted daily to meet the needs of India, and to provide for the very moderate exports sanctioned under the rationing scheme. But the maximum handling capacity of the two railways—the East Indian and Bengal Nagpur—is not greater than 2,930 wagons daily. And the experience of the last four months has shown that the average number available for coal has not been more than 2,650. It will also be seen that for the first half of next year it will be unsafe to count on a higher average than 2,500 wagons daily. In other words, it is estimated that there will be for six months, from the 1st January next, a shortage equivalent to 525 wagons daily.

6. In this situation the industrial interests of Calcutta have really had no alternative but to urge that the supply of bunker coal to steamers engaged in the Indian trade should be rigorously restricted; and further that such important bunkering ports in the vicinity of India as Colombo, Aden, Singapore, and Sabang should be deprived, after a stated period, of supplies of Indian bunker coal. But even these drastic measures will not mean more than a saving of 200 wagons daily; and there will still be therefore a deficit of 325 wagons daily during the first half of the coming year. And the position is actually worse than even these figures suggest. For it is stated that the railway consumption of coal is increasing by no less than 10 % yearly; and this, taken together with the industrial development of the country, will make the demands on the Bengal coalfields much heavier in the near future. It is anticipated, for example, that the

coal requirements of the Tata Iron & Steel Co., will be increased to 1½ million tons annually as soon as the extensions now in progress at Jamshedpur are completed; large supplies of coal and coke will also soon be required for another iron and steel company which is being started; no fewer than eight new jute mills are also at present under construction; and there will be of course other large demands to be considered.

7. Turning to another aspect of the question, the Committee of the Chamber find that the financial provision for both the East Indian and Bengal Nagpur Railways has been so greatly reduced that no improvements can possibly be effected during the year 1921-22. It follows therefore that, while the demands on the Bengal coal fields will greatly increase in the near future, transport facilities—which already are seriously inadequate—will either deteriorate or remain stationary. These two outstanding facts require but little comment as they obviously speak for themselves. Measures such as the stoppage of exports to foreign ports, and the restriction of the supplies of bunker coal to steamers engaged in the Indian trade, besides being unsound in themselves are at the best mere palliatives. They do not go to the root of the problem. The only remedy is to improve the railways until they are capable of handling the trade of the country; and the Committee of the Chamber feel bound to say that the Government of India will incur a grave responsibility if they neglect to apply this remedy. The Chamber is not overlooking the fact that a special Railway Committee is assembling this month to consider among other matters, the question of railway finance. But some time must of necessity elapse before the recommendations of this Committee can be even formulated, much less considered and put into force. On the other hand the position in regard to coal is such that no time ought to be lost in dealing effectively with it. The Railway Board should consider, in consultation with the authorities of the East Indian and the Bengal-Nagpur Railways, what measures can be taken immediately to improve the railway transport facilities for coal; and in the opinion of the Chamber, the money required for these measures should be found at whatever cost. For even in the present state of the public finances it is very doubtful if the Government can be held to be justified in starving the railways; and it is impossible to resist the conclusion that a short-sighted policy in this direction can only lead to disastrous results in the near future.

Telegram No. 144-70.

Bombay, the 13th January 1921.

From

Chamber of Commerce,
Bombay.

To

Commerce Department,
Government of India,
Delhi.

Reference letter from Bengal Chamber to your Department dated fifteenth ultimo. Committee Bombay Chamber desire to support strongly recommendation regarding immediate provision financial and otherwise for improvement of railway transport facilities for coal. Chamber recommends ample provision be made not only for rolling stock to carry coal but also for increased railway facilities in the coal fields and their vicinity for moving the rolling stock.

No. 145-70.

Chamber of Commerce,
Bombay, 13th January 1921.

The Secretary,
The Associated Chambers of Commerce
of India and Ceylon, Calcutta.

Dear Sir,—I beg to acknowledge receipt of your letter, No. 1052 A.C., dated the 20th December 1920, received on the 27th ultimo, and in reply to state that my Committee have sent the underquoted telegram to the Government of India, Department of Commerce, in support of the Bengal Chamber's recommendations.

> "Reference letter from Bengal Chamber to your Department, dated 15th ultimo, Committee Bombay Chamber desire to support strongly recommendation regarding immediate provision, financial and otherwise, for improvement of railway transport facilities for coal. Chamber recommends ample provision be made not only for rolling stock to carry coal but also for increased railway facilities in the coal fields and their vicinity for moving the rolling stock."—

Yours faithfully,

C. B. SAYER,
Secretary.

No. 622.

Government of India,
Department of Commerce,
Delhi, 20th January 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed to acknowledge the receipt of your telegram dated the 13th January 1921.—I have etc.,

G. B. TAYLOR,
Under Secretary to the
Government of India.

Government of India,
Railway Department,
(Railway Board.)
Delhi, the 21st March 1921.

PRESS COMMUNIQUE.

In consequence of representations as to the necessity for an alteration in the existing system of distribution of coal wagons in the Bengal and Bihar and Orissa coal-fields, the Government of India took the opportunity of the presence in Delhi of Members of Council and Members of the Legislative Assembly who were interested in this matter to refer the question for discussion to an informal Committee, the members of which represented producers and consumers.

The informal Committee sat on the 18th and 19th February 1921, and as a result of their discussions submitted a report containing their recommendations to the Government of India. A copy of the report is printed below.

Subsequent to the submission of the Report, a meeting was held by the Hon'ble Member, Commerce and Railway Departments, on the 15th instant, at which the Hon'ble Sir A. R. Murray, Mr. N. C. Sircar, the Hon'ble Mr. Froom and Mr. A. M. Clark, Member, Railway Board, were present.

At this meeting it was agreed that it was necessary in the national interests that the Tata Iron and Steel and Bengal Iron Works should be kept going, and that, if necessary, the Committee to be appointed in accordance with paragraph 9 of the informal Committee's report

should take special steps to ensure these works receiving sufficient supplies for this purpose.

It was also agreed that all necessary Government requirements, not specially provided for in the report, should have the same preference as public utility Companies.

The Government of India have accepted the recommendations made by the informal Committee, subject to the modifications that Iron and Steel Works must be ensured sufficient supplies to keep them at work, to necessary Government requirements being given the same preference as public utility Companies, and subject to the right reserved by the Government of India to withdraw the system proposed by the informal Committee, and to adopt any other system which they consider necessary or advisable.

The first meeting of the Committee proposed in paragraph 9 of the informal Committee's report will take place at 11 a. m. on Thursday, the 24th instant, in the office of the Coal Transportation Officer.

The first business of the Committee will be to draw up a detailed scheme for the distribution of coal wagons based on the recommendations of the informal Committee, with the modifications accepted by the Government of India, for submission to the East Indian and Bengal-Nagpur Railways, in accordance with paragraph 19 of the Report.

After the acceptance of the detailed scheme the East Indian and Bengal-Nagpur Railways will arrange for its introduction as early as possible.

Report of the Informal Committee appointed to discuss the coal problem.

The Committee which was composed of the following members,—

MR. C. A. INNES, Secretary, COMMERCE DEPARTMENT ... ... *Chairman*,

MR. P. C. SHERIDAN, General Traffic Manager, East Indian Railway ... ... *Railway Expert*,

The HONOURABLE SIR A. R. MURRAY, the HONOURABLE MR. A. H. FROOM, and RAHIMTOOLA CURRIMBHOY ... ... *Representatives of the Consumers*,

MR. J. H. PATTINSON, Chairman, Indian Mining Association, MR. N. C. SIRCAR, Chairman, Indian Mining Federation, and SIR MANECKJI DADABHOY ... ... *Representatives of producers,*

was constituted by the Government of India to discuss the difficulties arising out of the present coal situation in India and to advise as to the best method, in present circumstances, of allocating Railway wagons for the distribution of coal in India.

2. The Committee met on the 18th and 19th of February and discussed the whole question in detail. They desire to record their opinion that the interests of the producers, on the one hand, and of the consumers, on the other, are irreconcilable. The cause of the trouble if it be traced to its ultimate source lies in the general inadequacy of the Railway system of the country and as long as the Railways cannot carry the coal required for internal consumption in India and for export it is unlikely that any solution of the problem can be arrived at which will be entirely satisfactory to both parties. In the circumstances, the Committee conceived that its main duty was to endeavour to arrive at a reasonable compromise between the above interests. The Honourable Sir A. R. Murray, the Honourable Mr. Froom and Mr. Rahimtoola Currimbhoy representing the consumers desire it to be recorded that they would prefer that the X class system of supplies should continue. They consider that coal being an essential commodity Government should intervene to ensure its distribution to the best advantage of the country as a whole in the same way as they have asserted their right to control the distribution of foodstuffs. In order, however, to effect a compromise with the producers, they are prepared to recommend that the scheme outlined below should be given a trial at any rate tentatively. The Chairman and Mr. Sheridan are prepared to sign the Report only in view of the above conception of the Committee's duty.

3. Notes are appended to this Report (1) by the Chairman summarising the previous history of the question, (2) by Mr. J. H. Pattinson, the Chairman of the Indian Mining Association, and (3) by Mr. N. C. Sircar, the Chairman of the Indian Mining Federation.

4. The Committee after deliberation decided that Mr. Pattinson's proposals with suitable modifications probably offered the best hope of effecting a compromise. But

the Committee records its opinion that free exports cannot be allowed at present, though it considers that the position in regard to foreign exports should be periodically reconsidered. The Committee considers, therefore, that Mr. Pattinson's scheme must be modified in this respect. The Committee places on record its opinion that the present system not only of licensing bunkers for steamers leaving India, but also of licensing exports from Calcutta to other Indian ports, should continue for the present. Mr. Pattinson desires to record his dissent from this paragraph.

5. The Committee submits for consideration the following scheme based on Mr. Pattinson's proposals. The scheme is merely outlined below and will require to be worked out in further detail.

6. It is recommended that preference in wagon supply should be accorded in the order below to the following classes of demands :—

(1) Locomotive.

(2) Government shipments, that is, Royal Indian Marine and locomotive coal for railways which is conveyed by sea.

(3) Public utility companies.*

(4) Shipment and bunker.

7. Wagons for the above demands should be supplied in full. After such preferential demands have been met, the wagons available for distribution should be distributed according to raisings *pro rata* among the collieries. The wagon basis should be worked out by the Committee which is proposed below. This Committee in working out the wagon basis should be empowered to take stocks into account in particular cases.

8. For the purpose of *pro rata* distribution, the tonnage actually loaded against preferential demands should be deducted from returns of raisings.

9. A Committee should be constituted at Calcutta consisting of—

(1) a member nominated by the Indian Mining Association,

(2) a member nominated by the Indian Mining Federation,

* NOTE.—The term "public utility companies" comprises electric light companies, tramways, gas companies, water companies, mints, arsenals, rifle, shell and gun carriage factories, ice factories, light railways and inland steamers.

(3) a consumer nominated by the Bengal Chamber of Commerce.

(4) a consumer nominated by the Bengal National Chamber of Commerce,

(5) The Coal Transportation Officer.

10. This Committee should be furnished with a copy of the Mining Engineer's monthly programme which should be adhered to. The proposed Committee will be entitled to call upon all collieries to return particulars of all contracts including preferential contracts subsisting on the 1st of February 1921. The proposed Committee will be entitled to demand particulars of all such contracts except the rates.

11. The proposed Committee will be entitled to issue authorisations against existing contracts to the Coal Transportation Officer who will forward them to the railways concerned. The collieries to which these authorisations are issued will be expected to indent for wagons against the authorisations out of their *pro rata* allotment.

12. The Committee accepts the principles:—

(1) that authorisations against contracts must be given preference by the collieries each month over public supplies; and

(2) that collieries should be held responsible for not indenting for wagons for public supply until they have completed their monthly supplies against contract authorisations.

The Committee proposed in paragraph 9 should be left to give effect to these principles in practice.

13. All new contracts must be registered with the proposed Committee. If the proposed Committee is satisfied that the colliery which presents the application has not over-sold, it will register the contract and issue authorisations against it.

14. The wagon basis will be worked out by the proposed Committee and will be compiled quarterly. The collieries will make monthly returns of raisings, despatches and stocks in the form prescribed by the proposed Committee, and those returns will be published for information. It is considered that any colliery which disobeys the orders of the proposed Committee or makes false returns either of raisings, despatches or of stocks or any colliery which does not indent against an authorisation should be deprived at the discretion of the

proposed Committee of all wagons for a period not exceeding one month.

15. Contract arrears in existence on the 1st of February should be divided by 12 and should be added on to the monthly amounts of the present year's contracts, or as may be arranged by agreement between buyer and seller.

16. It is understood that the proposed Committee, of which the Coal Transportation Officer will be a member, will be treated by the railways as the Coal Transportation Officer and the Mining Engineer of the Railway Board are treated under the present system which is now being abolished.

17. The proposed Committee should be given full discretion to authorise special supply of wagons to consumers who are in grave difficulties for wagons. It is understood that this special assistance will be given only in special cases when an industry is in actual danger of closing down owing to lack of coal. Such supplies shall be treated as advance cumulative supplies and will be deducted from the supplying colliery's *pro rata* allotment.

18. It is recommended that the proposed Committee should be constituted at once and should work out its scheme in detail. The X class system should continue till the 1st April 1921 unless the proposed Committee is in a position earlier to introduce its scheme.

19. It is agreed that the proposed Committee's scheme when formulated should be submitted to the East Indian Railway and Bengal Nagpur Railway in order that it may be ascertained whether it is workable from a railway point of view.

A. R. MURRAY.
A. H. FROOM.
R. CURRIMBHOY.
M. B. DADABHOY.
N. C. SIRCAR.
J. H. PATTINSON.
C. A. INNES.
P. C. SHERIDAN.

The 19th February 1921.

Note by Mr. C. A. Innes, C. I. E., I. C. S., circulated to the members of the informal Coal Committee.

The object of the present note is to give members of the Committee a summary of the arrangements which have been made up to date for the distribution of coal in India. I do not think that it is necessary to go back earlier than 1912. In 1912, the order of allotment appears to have been as follows, both on the Bengal Nagpur Railway and the East Indian Railway. At that time wagons were divided into (*a*) wagons for special purposes and (*b*) wagons available for distribution among the collieries. Under the head 'special purposes' were included,

(*a*) locomotive coal;

(*b*) rakes or full train loads for one destination, *e. g.*, docks for shipment; coal for gas, electric light and tramway companies in Calcutta and the Tata and Bengal Iron and Steel companies' works.

The District Traffic Superintendent set aside a proportion of the empty wagons available for the above special purposes and he divided the balance among collieries in proportion to the actual despatches from each colliery for the previous year.

2. This system was examined by the Coal Traffic Conference in October 1912, and it was pronounced by them that the system of allotment of wagons was theoretically sound, but should be rigidly worked so as to leave no loophole for the irregular supply of wagons.

3. In 1913, however, at a special general meeting of the Indian Mining Association held in Calcutta on the 14th of April 1913, which general meeting was attended by Mr. W. C. Bannerji, representing the Indian Mining Federation, the following order of preference in connection with wagon supply to the collieries was unanimously accepted:—

(1) Railborne locomotive coal in full;

(2) Works of public utility, water works, gas, electric light, etc., in full;

(3) Rakes as then supplied;

(4) Extra supplies to meet cases of emergency at the discretion of the Railways;

(5) Public supplies; the available balance of wagons to be distributed *pro rata* to the collieries on the basis of figures of raisings as furnished for the preceding quarter.

4. This method of distribution was followed up to February 1916, when, owing to a large and continuous increase in the demand for wagons under the heads of the Royal Indian Marine, locomotive coal and special supplies, the number of wagons left over for distribution *pro rata* was quite insufficient to meet all requirements, while, at the same time, the demand for rakes increased, further reducing the margin for *pro rata* distribution. As a result of this, notice was given to the Indian Mining Association by the East Indian Railway that in future rakes would not be allowed except for the levy and despatch of shipment coal. The Indian Mining Association objected strongly, but at a meeting between the Asociation and the East Indian Railway held on the 10th March 1916, it was agreed that the supply of all rakes should be abolished and that in their place special supplies of wagons for the levy and despatch of coal to steamers and also to mills and other industries which might be in urgent need of coal should be given.

5. In January 1917, a Committee to regulate coal supplies was appointed by the Government of India, and a coal special indent form was introduced. No consumer could obtain coal unless he filled up one of these forms and submitted it to a local certifying authority who in turn checked it and forwarded it to the Manager of the railway concerned, who then authorised the District officer under whose jurisdiction the supplying colliery was located that he was empowered, provided wagons were available, to allot them to the colliery on indent. The supplies for the different consumers were placed in five different classes as below :—

(*a*) Admiralty, Royal Indian Marine, Railways, public utility companies, Government factories and military requirements;

(*b*) Shipment and bunker supplies;

(*c*) Supplies for industries engaged wholly or partly in war work and fuel for domestic requirements ;

(*d*) Cotton mills, jute mills and other large industries;

(*e*) Other purposes.

Subsequently, an X or emergency class was added, that is to say, arrangements were made so as to ensure that consumers who were in great difficulties for coal might get special assistance to obtain that coal. It should be noted that the feature of the special indent system,

which was, of course, a system necessitated by the war, was that no coal at all could be obtained except under a special indent.

6. In October, 1919, however, it was decided to decontrol the trade. A notification was issued warning coal consumers and dealers in India that from the 1st January 1920, they must arrange to obtain their coal from the collieries by ordinary methods which were in force prior to the introduction of the special indent system. At the same time, it was decided to replace the Coal Controller by a Coal Transportation Officer. The function of this officer was to come to the assistance of consumers in cases of emergency, but it was hoped that special assistance of this kind would be necessary only occasionally, and the declared policy of the Government was to leave the trade as far as possible to follow its natural course. Thus at a conference with the trade presided over in January 1920 by Mr. E. A. S. Bell, it was arranged that wagons should be distributed among the collieries on a *pro rata* basis according to raisings. Events, however, proved too strong for the Coal Transportation Officer. Demands for coal were heavy and wagons were short. Applications for assistance became more and more numerous. Most consumers found themselves in difficulties, and it became the rule rather than the exception that Mr. Legge should grant assistance.

7. I will now try to explain briefly what the present system of distribution of coal in India is. In the first place, I should mention that the Government of India published in 1916, a notification under section 147 of the Indian Railways Act, exempting the East Indian and the Bengal Nagpur Railways from the operation of section 42 (2), the undue preference section of the Act. This section was taken with special reference to coal. The effect of it is that the Railways have a free hand to make preferential allotments of wagons for coal, at any rate their action cannot be challenged under the Indian Railways Act. This is the sanction for the present system of distribution of coal, though even before the notification issued, the Railways had always in practice exercised the right to discriminate in making their allotments for wagons. For instance, in 1913, as I have already mentioned it was decided by the Indian Mining Association and the Indian Mining Federation in consultation with the two Railways that the Railways should be at liberty of their own discretion to make extra supplies of wagons to meet cases of emergency.

8. The present order of distribution is as follows. It differs on the two Railways, and for purposes of illustration, I take the order on the East Indian :—

(1) loco coal ;

(2) coal for the Royal Indian Marine ;

(3) shipment and bunker ;

(4) X class.

(*a*) Coal for Ordnance Factories, mints and similar Government demands arranged for by the Mining Engineer, and coal for public utility companies ;

(*b*) Industries of major importance, such as cotton mills, jute mills, large paper factories, and so on ;

(*c*) Important industries such as rice mills flour mills, distilleries ; also hard and soft coke for domestic consumption ;

(*d*) Smaller industries such as ginning factories and glass factories ;

(*e*) Large brick burning concerns ;

(*f*) Small brick burning concerns.

On the Bengal Nagpur, the order is different, special preference being given to the Tata Iron and Steel Company and the Bengal Iron and Steel Company. The actual procedure followed in the allotment of wagons for coal appears to be as follows. As regards loco coal, Mr. Church prepares a monthly programme of his requirements. Each colliery is informed of the amount of coal which it is required to supply in a month for loco purposes and is expected to indent for the necessary number of wagons daily. These indents as also indents for wagons for Royal Indian Marine coal are met by the Railways in full. Coal required for shipment and bunkers is regulated by licenses issued by the Collector of Customs, Calcutta. The Coal Transportation Officer assists by issuing certificates and authorising the supply of wagons for coal required for steamers due to come on the berths in the Kidderpore docks, or due for bunker supplies.

9. The X class system which is now the source of complaint is worked as below. There are certain certi-

fying authorities in India such as the Coal Certifying Authority, Bombay, the Coal Certifying Authority, Lahore, the Ahmedabad Mill Owners Association, the Jute Mills Association, the Indian Tea Association, Directors of Industries, Chambers of Commerce, District Magistrates, and so on, but in some cases consumers apply direct to Mr. Legge himself. Consumers who are in difficulties go to these authorities who, if they think fit make recommendations. Against their recommendations, Mr. Legge issues what is called an X class certificate or authorisation. One copy is retained for record by Mr. Legge, one is issued to the railway concerned, one copy is sent to the Managing Agents or proprietors of the colliery or collieries named in the application, and one copy is sent to the applicant. The collieries indent daily for wagons quoting the number and date of the different authorisations. The applications are checked by the local officers of the railway and available wagons are allotted by these officers. Indents for loco coal, Royal Indian Marine coal and shipment and bunker coal are first complied with. The wagons are allotted against X(*a*) class, then against X(*b*) class, X(*c*) class, and so on until all indents covered by authorisations have been complied with. The balance of wagons left over is distributed among the collieries *pro rata* in proportion to raisings.

10. The members of the Indian Mining Federation consider that this system of preferential supply of wagons is seriously affecting the interests of the coal trade and they have passed a resolution to the effect that they will sell their coal only on the condition that its despatch must be made by wagons supplied to the colliery concerned on the *pro rata* basis determined according to raisings and stocks, and not under any classification of special supply except for purposes of Government, loco, and public utility. The Indian Mining Federation have since explained in person to myself that they are willing that preference in that matter of wagon supply should be continued to be given to (*a*) shipment and bunker coal, (*b*) loco coal, (*c*) Government coal, and (*d*) coal for public utility companies. But as far as other industries and consumers are concerned, they are not prepared to agree to a continuance of the X class system. After the demands of the four classes of coal mentioned above have been met, they say that the balance of wagons must be distributed *pro rata* according to raisings and stock. Moreover, in fixing the wagon basis for *pro rata*

distribution, the amount of coal covered by wagons supplied against preferential demands must be deducted from the returns of raisings and stock of the collieries concerned.

11. I may mention that the complaint of the Federation is that the so-called X class system is detrimental to the interests of the producers of coal. They object that the declared policy of the Government of India has not been given effect to. The Government of India announced their intention of reverting to the state of things which existed before the war of distributing wagons *pro rata* according to raisings. The function of the Coal Transportation Officer when he was appointed in January 1920 was merely to come to the assistance of consumers in cases of emergency. But instead of confining his assistance to emergencies, the Federation complain that he has classified industries in order of assumed importance and that he grants certificates to these industries as a matter of course. The Federation also say that the X class system injuriously affects their interests since it tends unfairly to depress the price they get for their coal. The interests of the Mining Association are not affected as that Association is composed of powerful Managing Agent firms. They can carry stocks; and consumers, even though they may have a high grade X class certificate, must pay the price which a Mining Association firm demands, or must go elsewhere for their coal. But the members of the Federation are mostly small men owning and financing their own mines. They cannot afford to carry stocks. They cannot hold out for a bargain. Finance is always a difficulty with them, and it is of great importance to them to be able to sell their coal as it is raised. The higher in grade the X class certificate, the greater the chance of a wagon. Therefore, the owner, say of a jute mill, with an X (*b*) certificate is practically in a position to fix his own price in dealing with the Indian colliery owner, at any rate, he can get his coal cheaper than the owner of a rice or flour mill who gets an X (*c*) certificate and much cheaper than the brick burning concerns which possess only X (*d*) or X (*e*) certificates. Thus the system works unfairly to the small Indian owner.

12. The above is a paraphrase of the case of the Mining Federation as presented to Mr. Clark and myself at Calcutta. I may mention that I have analysed the X class authorisations issued by Mr. Legge in December

last. I give below the results of this analysis in so far as the X class supplied are concerned :—

Classification of the preferential supplies.	Number of wagons.	
	European concerns.	Indian concerns.
X (*a*)	251	987
X (*b*)	10,064	2,348
X (*c*)	1,500	3,278
X (*d*)	578	1,297
X (*e*)	941	2,915
X (*f*)	15	49
Total...	13,349	10,874

These figures are interesting. They show precisely where the trouble lies. It is clear from the figures that the big industries, that is to say, the industries in X (*b*) class, usually place their contracts with European firms and industries in the lower grades usually with Indian concerns. Therefore, the effect of the X class system, in that it gives the bigger industries such as the cotton mills and the jute mills the best chance of obtaining wagons, affects the interests of the Mining Federation, since ordinarily speaking, most of the dealings of Federation collieries appear to be with industries of smaller importance. Moreover, loco contracts are placed roughly in the proportion of 70 per cent. with collieries under European management and 30 per cent. with collieries under Indian management. Shipment and bunker contracts are placed mainly, I think, with the former collieries since Indian firms never have had a large share in the sea-borne trade. Thus not only do collieries under European management get the lion's share of the contracts in the preferential classes, but also their chief customers of the X class get a high-grade priority. Thus in December last, the number of wagons covered by X class authorisations issued by Mr. Legge was 24,223. It is true that collieries under Indian management received 10,874 of these wagons, but whereas out of 13,349 wagons covered

by authorisations in favour of collieries under European management 10,315 were in classes X (*a*) and X (*b*), only 3,335 wagons covered by authorisations in favour of collieries under Indian management were under these two classes. The explanation is that industries of major importance deal mainly with bigger collieries producing better coal. Small industries deal with smaller collieries. But the result as far as the Federation is concerned is that collieries under European management have a better chance of getting away their coal than collieries under Indian management. This is the one main reason why the Federation want the X class system abolished. But the important point to notice from the point of view of the Government of India is that the X class system has nothing whatsoever to do with the placing of contracts. Mr. Legge issues certificates against authorisations certified by the different certifying authorities. In these authorisations it is stated where the indent has been placed. It is the consumer who places the contract, not Mr. Legge, and if it be asked why jute mills and cotton mills get a higher grade priority than smaller industries, the answer is that though it may be very unfortunate if an isolated rice mill closes down for lack of coal, it might be a national disaster if large organised industries employing big labour forces were compelled to close down for the same reason. I may mention that as far as I know, collieries under Indian management raise about one-third of the total amount of coal raised in the coalfields.

13. The difficulty which I have always felt about accepting the Indian Mining Federation's demand that preference should be allowed only to loco coal, shipment and bunker coal, coal for Government requirements and public utility company coal, and that all other demands should be met from wagons in the public supply class is that, as far as they can see, the effect of adopting this proposal would be to create conditions ideal for the profiteer. The Mining Federation suggest that if Government withdrew from all control and left the trade to itself, prices would fall or rise, as the case might be, to their natural level, and they would be regulated by supply and demand. But Federation has agreed that preference in wagon supply should be continued to be given to the above four classes of coal, and these demands require far the greater part of the wagons available. Taking the table given in the proceedings of the Conference arranged by the Bengal Chamber of Com-

merce in December 1920, the following wagons will be required for preferential coal:—

(1)	Shipment coal	340
(2)	Bunker coal for Calcutta ...	160
(3)	Loco coal (railborne) ...	1,125
(4)	Inland steamers and light railways	150
(5)	Public utility companies, (estimated)	50
	Total	1,825

Moreover, this total does not take into account the supplies we are making to Colombo in February and March. These amount to 80 wagons a day and 50 wagons a day respectively. Thus in February preferential coal will require 1,905 wagons a day out of a total of 2,500 and in March they will require 1,875, and after that 1,825. The balance available for industries and the general consumer will thus be 595 in February, 625 in March and after that 675 wagons a day. On the other hand, allowing 150 wagons a day for the Tata Iron and Steel Company and the Bengal Iron and Steel Company and 850 for other consumers, (50 being deducted for public utility companies), the demand is likely to be not less than 1,000 a day. Thus the supply of coal is likely to be at best only two-thirds of the demand, and at first will be even less. *Ex hypothesi*, Government have to wash their hands of all responsibility for distributing these inadequate supplies to the best advantage. The coal will be sold to the highest bidder and all industries, small or great, will have to join in the scramble. Existing contracts will be wiped out, since most of these contracts contain a clause that the consumer will supply the wagons under the X class system. If this action is taken, it is perfectly clear that the result may be that an essential commodity will be handed over to the tender mercy of the profiteer. I have put the matter this way because above I have given one side of the case, namely that of the Indian Mining Federation and here I have attempted to give the other side of the case, namely that of the consumer.

14. I assume that the Committee will agree that preference must be given to loco coal. I assume also that they will agree that preference must be given to shipment and bunker coal. It is most important, of course, that steamers should not be held up in Calcutta or other

ports. I assume also that the Committee will agree that public utility companies ought to get a high-grade preference, as also important Government concerns such as mints, ordnance factories, and the like. Accepting this, what the Committee will have to consider is how the wagons remaining after preferential demands have been met should be distributed :—

(1) Should all control be abolished, and, if so, should wagons be distributed *pro rata* according to raisings ?

(2) Should Government institute complete control and allow no coal to be carried away from the fields except on a special indent ? or

(3) Should we endeavour to carry on with the present X class supply system ?

C. A. INNES.

17th February 1921.

NOTE BY Mr. J. H. PATTINSON.

This meeting has been convened as the result of a certain representations which have been made to the Government of India by the Indian Mining Federation. With your permission I will place their case before you as well as the position of the coal trade in general.

The principal grievance the Indian Mining Federation has is—

"The large collieries get most of their coal away, whereas the smaller collieries working inferior classes of coal only get a very few wagons."

The majority of the members of the Indian Mining Association are limited liability companies working the best seams of coal, and, having finance behind them, they are able to pay the price for good first class coal lands, and in cases of necessity are able to finance stocks, etc.

The majority of the members of the Indian Mining Federation are small Indian colliery proprietors. They have very little financial backing and in consequence they can only afford to buy small plots of the cheaper classes of coal lands. They cannot afford to run into stocks and the only way they can exist therefore is by carrying on a hand-to-mouth business.

With inadequate transport facilities they are practically crushed out of existence. Railways, large industrial concerns, shipment, bunkers, all buy the better classes of coal and the available transport is used up and there is little or nothing left for the small colliery proprietors working lower grades of coal.

There is a market for his coal and he very naturally complains that he is left out in the cold because preference is given to others.

As there are not enough wagons, by this I mean transport facilities and not actual wagons, to go round and supply every one's wants, it is only fair and reasonable that what is available should be fairly divided amongst every one, irrespective of what class of coal any individual colliery proprietor may be working.

There is a shortage, and it is up to every one to bear his share of that shortage. I will now pass on to the position of the coal trade in general.

Certain large industries, notably the Calcutta Jute Mills, I mention the Jute Mills because being in Calcutta the coal trade hear more about their coal shortages than say the Bombay Cotton Mills, have been complaining that owing to coal shortages they have in some instances actually had to shut down. Figures have been given showing that the internal demand for Indian coal is in excess of the available transport, and after representations were made to Government the export of coal has been restricted. Is this fair to the coal trade? Why should any industry be in a position to dictate to the coal owners where they may send their coal or where they may not send their coal.

The coal belongs to the colliery companies and it is surely within their rights as owners to sell their coal on the best market. The whole position boils down to a question of supply and demand and the highest bidder is entitled to the coal.

Would the jute or cotton mills, for instance, approve of any interference with their business by the coal trade, in the shape of the latter restricting the export of gunnies or cotton, or insisting that no jute or cotton must be moved by rail because the coal trade wanted all the wagons for themselves? I think not.

If I can get a better price for my coal for export, why should I be prohibited from exporting it because some one

else in the country is short of coal and is not inclined to pay a better price than I can get for export ?

Take a group of collieries raising coal suitable for railways and shipment. They sell a certain proportion of their output to railways and the balance is reserved for export.

The internal industrial market does not iuterest them at all, as they find they can get a better market by exporting. Exports are prohibited. Are they to be forced to deliver their coal to internal industries if it does not suit them to do so ?

Unfortnnately there is a very bad habit amongst coal proprietors of selling their coal on contract and then if the market rises they sell the same coal again and the cheaper contract goes by the board and their excuse is *no wagons*. This is not right and every means possible should be taken to stop this practice.

I know most of the mills have contracts, practically all of which are in arrears and the main reason probably is this practice of selling the same coal several times over, each time at a better price.

Why should the whole trade be put under restrictions because certain people will not deliver against their contracts ?

I have thought out a scheme which I will now place before you in the rough, but whether it will be possible to adopt it from the railways' point of view I cannot say as I am not an expert on railway transportation.

My scheme is this :—

Absolute free trade. All restrictions on export, licenses, etc., to be withdrawn say from the 1st April this year. All special supplies, X class, etc., to be abolished.

Available empties to be allocated as follows:—

1. Loco.
2. Government shipments.
3. Public utility.
4. Shipment and bunkers.
5. Industries under contract.
6. Public.

Now as regards No. 5, I propose the following :—

A committee be formed consisting of two members each from the Indian Mining Association and

Indian Mining Federation, and this committee to be empowered to call upon all members to declare their contracts, giving such details as:—Date of contract. Quantity to be delivered monthly. Buyers. Name of colliery or collieries. Destination of the coal, and any other details they may think necessary, but no rates to be asked for or given.

Further information must be given to the committee such as total average raisings of the colliery. This is important as without an idea of the raisings it will be impossible for the committee to check overselling.

Correct stocks should also be given at the start so as to enable the committee to allow for stocks in their wagon sanctions.

It will be the duty of the committee to advise the Coal Transportation Officer that after meeting 1, 2, 3 and 4 orders, then No. 5 must be met according to the committee's orders on *pro rata* basis, and after that No. 6.

It must be clearly understood that no colliery will be given any wagons for shipment, bunkers or public until such time as their contracts under all heads 1 to 5 are up to date or completed.

Contracts made before the 1st February 1921 will be taken as the basis on which to start, and any new contracts made after this date must be declared to the committee, and if they consider the colliery has coal for sale and that the sale has not been made with the object of re-selling coal at a higher rate, then the committee will issue orders that the contract is placed in No. 4 or 5 allotments.

If the committee consider the colliery has already sold enough coal under permission to load under No. 1 to 5 allotments, the sale would be placed in Nos. 6 allotment.

It will be necessary to alter and probably add to my suggestions for the actual working of the scheme. All I have tried to bring forward is the rough skeleton which if feasible from the railways point of view will, I think, be the means of distributing the available wagons on a basis which will be fair to all, both suppliers and consumers.

It will give no special benefit or preference to any specific industry and from the suppliers' point of view it will enable those who have no contracts to sell their coal

in the best market. It will also be the means of insuring that when consumers purchase coal they will know that their coal cannot be sold again at a higher price to another consumer.

As regards the *pro rata* basis, there will no doubt be varied opinions.

The following are roughly the four main issues :—

1. Percentage of balance of supplies after deducting requirements of 1 to 3. The basis being taken on the full raisings.
2. The basis on raisings after deducting supplies under 1 to 3.

3 & 4. The same as Nos. 1 and 2 but adding stocks.

There are several other forms on which the basis can be worked out, but they will only be modifications or alterations of the above.

If my scheme is a feasible one I do not think it would require very much time to work it out again in detail and complete it in such a way as to suit every one.

I have aimed first at free trade for the coal trade, then an equal distribution of wagons to all industries alike, and a prevention in favour of the consumers against the coal owners re-selling coal already sold at higher rates.

There is shortage of transport and in my opinion every one should share in it and let those who are prepared to pay to be kept going pay the price.

J. H. PATTINSON.

18th February 1921.

NOTE BY MR. N. C. SIRCAR.

1. Preferential supply to be given to loco, Royal Indian Marine, works of public utility and shipments for bunkers and on account of Government.

2. Balance of wagons to be distributed on *pro rata* basis monthly on raisings less the local despatched by preferential supplies and stocks. January's raisings and stocks to be taken in fixing March basis. February's for April basis, and so on. In determining the basis the wagons supplied by preferential supply to be deducted from the raisings and the basis fixed on the balance plus stocks.

3. Existing contracts to be respected by public supply and such proportion of the public supply to be given against contracts as the contract will bear to the total output of the colliery. An increase of annas eight per ton, to be given by the purchasers as given by the Railway Board. The industries will buy balance of their requirements from the market. Arrears of previous contracts ending 31st December 1920 or 31st March 1921 to be treated as will be done by the Railway Board. Owing to several unfavourable circumstances the raisings for the last few months have been very small and in that consideration arrears may be cancelled and buyers and purchasers start with a clean sheet.

Raisings and despatches and basis of all collieries to be published by railways and a sheet given to each colliery or Managing Agent, as the case may be. A form should be adopted showing :—

Raisings.

Despatches by preferential supply.

Stocks on which basis to be fixed.

Some sort of check to be arranged by the railways in case of statement of raisings, etc., of collieries of non-members and by Mining Association and Federation for their members.

N. C. SIRCAR.

18th February 1921.

PUBLIC NOTIFICATION.

COAL TRANSPORTATION

To all Colliery Proprietors, Managing Agents and others in charge of Collieries in the Provinces of Bengal and Behar & Orissa.

Notice is hereby given that the Government of India have appointed a Committee, having for its object the distribution of Wagons in the coalfields with special reference to endeavouring, if possible, to distribute the wagons available daily between all collieries in a fair proportion and also to help in cases of urgent necessity any industry which may through want of coal be on the verge of closing down.

1. The Committee which has been appointed consists of the following members :

Mr. G. S. Pelly, Coal Transportation Officer.

Mr. J. H. Pattinson, M.L.C., representing the Indian Mining Association.

Mr. N. M. Chowdhury, representing the Indian Mining Federation.

Mr. D. P. Mackenzie, M. L. C., representing the Bengal Chamber of Commerce.

Mr. J. N. Roy, representing the Bengal National Chamber of Commerce.

The Committee held their first meeting on the 24th March, 1921, and Mr. J. H. Pattinson was elected the Chairman.

2. The following scheme was drawn up and will be put into force on a date which will be advised later :—

All X class supplies will cease from the date to be named later and in place of these supplies the following will be adopted.

3. *Preferential supplies* will be given to :

(1) Locomotive Coal.

(2) Government shipments, that is, Royal Indian Marine and Locomotive coal for Railways which is conveyed by sea.

(3) Public Utility Companies, that is, Electric Light Companies. Tramways, Gas Companies, Water Companies, Mints. Arsenals, Rifle, Shell and Gun Carriage Factories, Ice Factories, Light Railways, Inland Steamers, Hospitals, and such other requirements of the Government as are considered necessary and for which requisitions will be accepted from the Mining Engineer to the Railway Board.—

(4) Messrs. Tata's Iron and Steel Works and Messrs. The Bengal Iron Company's Works at Kulti. Shipment, Bunker Coal and Cumulative Supplies.

Note.—The coal under No. 4 will be given preferential supplies but the supplies given will be taken from the *pro rata* monthly basis supplies of the Colliery indenting. The supplies under this head will not be in addition to the *pro rata* basis for contract or Public supplies.

4. Having deducted the requirements of Classes 1 to 3 the balance of the Colliery's raisings plus stocks, will then be made available for: Contract supplies and then Public supplies, but in cases where a Colliery has no contracts then the wagons supplied will be available to that Colliery for despatch to any destination they desire. Provided they indent on the Railway for a specific consignee and destination for which the allotment is to be made.

In arriving at the basis for the Contract and Public supplies the following procedure will be adopted.

The Colliery's raisings of all classes plus the stocks will be taken and from this figure will be deducted all preferential supplies 1 to 3 classes, the balance will be the available coal for the *pro rata* basis.

The Coalfields will be divided up into Weighbridge Sections and each section will be kept separate. The available coal for despatch from all Collieries on a particular Weighbridge section will be added together and the total divided into the number of wagons available for Public, after deducting the Preferential supplies. Then each Colliery will receive a percentage of the available supply according to the total quantity of coal available at that colliery.

Each Weighbridge Section has a total working capacity of so many wagons per day and this is the figure which the Committee will take in arriving at the number of wagons available for both Preferential and Public supplies.

When wagons are supplied under "Public," collieries will be responsible for loading these against existing contracts for which wagons have been short supplied previously. If a colliery does not work up to its programme it will be given no wagon supplies to "Public."

Wagons on *pro rata* basis will only be allotted after contracts under Classes 1 to 4 have been met daily.

5. In order to arrive at the necessary figures to enable the Committee to work out the basis for each Colliery the following forms will have to be filled in by each Colliery.

1. FORM OF REGISTRATION OF COLLIERY.

This form will give the Committee the necessary details regarding each Colliery, its sidings, etc., and the total raisings for the year 1920 also the stocks at the 31st December, 1920.

These last particulars are needed as the Committee have decided that the basis for the first quarter's working will be based on the average monthly raisings for last year plus the stocks at the end of the year.

After the first quarter the raising for January-March, 1921, and the stocks at the end of March, 1921, will form the basis for the next quarter and so on.

Their reasons for adopting this procedure is that the date of starting the new scheme cannot be fixed yet and certain details must be in the hands of the Committee sometimes beforehand to enable them to make the necessary arrangements. Another very important point which the Committee wish to bring to the notice of Collieries is, that in the case of any Colliery having a siding or sidings served by both the East Indian Railway and the Bengal-Nagpur Railway, the returns must be sent in separately showing only the actual raisings and stocks at each siding. That is, a Colliery cannot return the full raisings and stocks to each Railway.

Example.—A Colliery raises 12,000 tons per month and the Colliery has two sidings, one the East Indian Railway and the other Bengal Nagpur Railway. On the 31st December, 1920, we will suppose that the East Indian Siding Pit's raisings are 8,000 tons and stocks 2,000 tons whereas the B.-N. R. Pit's raisings are 4,000 tons and stocks 5,000 tons.

The Colliery must send in two returns, one for the E. I. R. siding and the other for the B.-N. R. siding. It must not return to each 12,000 tons raisings and 7,000 tons stock.

Form A. 1.—Preferential Supplies.

This form must be filled in and returned to the Committee so that they can have details of all preferential supplies and the arrears on the 1st February, 1921.

In this form it will be observed that the class of preferential supply is asked for. This means that if the contract is for Locomotive Coal then against this contract in the column for class must be written 1 and so on as mentioned in para 3 above.

Form B. 1.—Public Supplies.

Details regarding all other contracts which do not come under any of the Preferential supplies must be given in this form.

STATEMENT OF MONTHLY RAISING AND STOCKS.

This form must be filled up and sent in to the Committee every month and must contain the correct information regarding the raisings and stocks of all classes of coal raised at each Colliery and in cases of Collieries served by both the East Indian and Bengal-Nagpur Railways separate returns must be made.

STATEMENTS OF DAILY DESPATCHES.

This form must be submitted to the Committee daily and in all cases of no supplies or despatches the form must still be sent in, showing nil.

FORMS A. AND B.

These forms must be filled in and sent in to the Committee when any new contract is proposed for registration and authorisation by the Committee if the Colliery is in their opinion undersold.

6. Authorisation against individual collieries contracts must be given preference by the contracting Collieries each month over their Public supplies.

7. Collieries will be held responsible for not indenting for wagons for public supply until they have completed their monthly supplies against contract authorisations.

8. Contract arrears in existence on the 1st February, 1921, will be divided by 12 and will be added on to the monthly amounts of the present year's contracts or as may be arranged by agreement between buyer and seller and such arrangement must be advised at once to the Committee.

9. In certain cases of urgent necessity the Committee will be prepared to consider authorising a special supply of wagons to consumers who are in grave difficulties for wagons. It is understood that this special assistance will be given only in very special cases when an industry is in actual danger of closing down owing to lack of coal. Such supplies will be treated as advance cumulative supplies and will be deducted from the supplying Colliery's *pro rata* allotment.

10. The Committee wish to draw very special attention to the following penalty which will be enforced to the full, that is, each offence will be treated as a separate offence punishable with the full penalty.

Any Colliery which disobeys the orders of the Committee or makes false returns either of raisings, despatches, or of stocks or any Colliery which does not indent against an authorisation or which deliberately

despatches coal to an unauthorised party such Colliery shall be deprived of all wagons for a period not exceeding one month for each offence.

Any Colliery which fails to send in the returns required by the Committee in time, will not be included in the next wagon basis allotment. Failure on the part of any Colliery to send in the daily returns regularly will render that Colliery liable to punishment under the previous clause and a loss of all wagons for a period of one month for each offence.

11. All collieries must fill in and return the necessary forms to:—

J. H. PATTINSON,
Chairman,
Coal Transportation Committee,
Post Box No. 30,
Calcutta.

not later than 10th May, 1921. Any colliery failing to do so will be excluded entirely from the first quarter's basis and will therefore not receive any wagons under *pro rata* basis for three months.

The forms are :—

(*a*) Colliery Registration Form.
(*b*) Preferential Supply Form A1.
(*c*) Public Supply Form B1.

12. All the necessary forms to be filled in as required by the Committee will be available at the following places.

Office of the Coal Transportation Committee. 1. Corporation Street, Calcutta, Assistant Secretary, Indian Mining Association, Royal Exchange Buildings, Clive Street, Calcutta; Secretary Indian Mining Federation, 7, Swallow Lane Calcutta.

All weighbridge stations on the B. N. R. and E. I. R. situated in the Coal-fields.

Any person wishing to have any details explained should apply in writing to the Coal Transportation Committee.

By order of the Committee,
J. H. PATTINSON,
Chairman,
Coal Transportation Committee.

May 1921.

No. 910-A. C.

Royal Exchange,
Calcutta, 13th July 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—The President has directed me to attach hereto for the information of the Chambers a copy of a letter from Mr. D. P. McKenzie, the Chairman of the Indian Jute Mills Association, who represents the Bengal Chamber of Commerce on the Coal Transportation Committee.—Yours faithfully,

H. M. HAYWOOD,
Secretary.

Letter dated 4th July 1921.

From,
D. P. McKenzie, Esq.
Chairman, Indian Jute Mills Association.

To
The Secretary,
Bengal Chamber of Commerce.

A meeting of the above Committee was held on 29th ultimo to examine the returns received from colliery proprietors and consider the course of action to be taken if the scheme for the distribution of wagons is to be put into effect. The returns confirm the opinion that in view of colliery commitments and the large proportion of these which can be classed as preferential supplies the adoption of the Scheme as it stands would be against the interests of consumers especially those holding unfulfilled contracts.

No decision has been received from Simla on the representations made to the Honourable Member for Commerce and Industry during his recent visit to Calcutta. In the absence of this it was decided that nothing should be done beyond advising collieries of the *pro basis* allotment of wagons which would fall to them if and when the Scheme is introduced as a working proposal.

In the course of discussion at the meeting Mr. Pelly, the Coal Transportation Officer, made a suggestion which appears to be worthy of further consideration. Mr. Pelly's suggestion is that in view of the large "overbooking" by collieries authorisations similar to the previously used "Special Indent" should be included as

part of the Scheme. As the Scheme stands at present the colliery only declares contracts, the consumer having no part therein. The consumer who is established in Calcutta can of course obtain information from the Committee but the Bombay and Up-country consumer is in a less favourable situation in this respect and injustice may be done to him because he is not "on the spot" and in touch with his coal contractors or the "Coal Transportation Officer."

If however the Special Indent system is adopted in conjunction with the returns already in the possession of the Coal Transportation Committee, the Committee or the Coal Transportation Officer would only issue authorities for coal to be despatched up to the extent of the Coal available from the colliery or of the wagons which can be handled on the pilot section in which the colliery is situated. Sellers and buyers of the coal would sign as before the Special Indent and both would be advised whether authority had been granted or not. The advantage of this was that the consumer was promptly advised of his position and can make such arrangements as are possible if he is informed that deliveries under his arranged contracts could not be made. The Special Indent had the further advantage that having already been in use it was understood by all consumers.

Another advantage of the attachment of the Special Indent to the scheme was that as at present arranged however fair the scheme may be as *between collieries* it might work out unfavourably as *between consumers*. For example a consumer with large coal contracts in hand might receive deliveries from several sections and so secure coal much in excess of his immediate requirements. At the same time another consumer with equally large contracts might get little owing to the contracting colliery being in a fully occupied pilot section. Under the Special Indent no consumer would receive authority for much in excess of his proved needs.

The successful working of the new proposal would of course greatly depend on the Mining Engineer restricting his demands to his basis allotment as now established. It has been indicated that 1,000 wagons per day should be sufficient for loco &c. needs and to ensure delivery of this quantity preference might be granted to the extent that the Mining Engineer's daily requirements must be met before wagons were used for other consumers.

No. 1494-70.

Chamber of Commerce,
Bombay, 29th July 1921.

The Secretary,
The Associated Chambers of Commerce
of India and Ceylon, Calcutta.

Dear Sir,—I am directed to acknowledge, with thanks, receipt of your letter, No. 910-A. C., dated the 13th July 1921, and its accompaniment, and in reply to state that my Committee approve generally the suggestion that the Special Indent System should be reintroduced as an adjunct to the procedure which the Coal Transportation Committee have decided to adopt if and when the proposed new system of control is finally adopted.—Yours faithfully,

C. B. SAYER,
Secretary.

Bombay, 19th October 1921.

The Secretary, Chamber of Commerce
Bombay.

Coal Transportation Committee.

Dear Sir,—I attach in original a copy of a letter addressed to me by the Secretary of the Bengal Chamber of Commerce under the above heading, enclosing the details of the scheme put up by Mr. G. S. Pelly, Coal Transportation Officer, to deal with the Wagon Supply Problem.

Attached is also a copy of a letter from Mr. D. P. Mackenzie, representative of the Bengal Chamber of Commerce on the Coal Transportation Committee, who also represents the interests of the Bombay Chamber of Commerce in this difficult question.

I have had a discussion with Sir Vithaldas Thackersey, representing the Bombay Millowners' Association, who has received similar advices from the Secretary of the Bengal Chamber of Commerce. I told Sir Vithaldas I was submitting the papers for the consideration of the Committee of the Bombay Chamber of Commerce and he is acting similarly as regards his Association.

I shall be obliged if this matter can be discussed at an early date.

The Secretary of the Bengal Chamber addressed me direct as a Member of the original informal Committee appointed to discuss this whole question but before replying I should like the views of the Committee of the Bombay Chamber.—Yours faithfully,

A. H. FROOM.

No. 2275-1921.

Bengal Chamber of Commerce,
Calcutta, 5th October 1921.

The Hon'ble Mr. A. H. Froom,
Messrs. Mackinnon Mackenzie & Co.,
Bombay.

Dear Sir,—I am directed to hand you herewith a copy of a letter, dated 3rd October (with its enclosure), from Mr. D. P. McKenzie, the representative of this Chamber on the Coal Transportation Committee.—Yours faithfully,

H. M. HAYWOOD,
Secretary.

Copy of letter dated Calcutta the 3rd October 1921 from D. P. McKenzie. Esq., of Messrs. Duncan Brothers & Co. with enclosures.

After protracted negotiations the Committee formed to consider the best method of allocating railway wagons for the distribution of coal in India have formulated a scheme which it is thought may be accepted by the varied interests whose claims had to be considered.

A note, incorporating the proposals as affecting producers and consumers, has been prepared by the Coal Transportation Officer and subject to a minute of dissent by the representative of the Bengal National Chamber of Commerce and myself, has been approved by the Committee. Copies of the note and the minute are enclosed. Before summarizing the proposals I would mention that if the traffic arrangements incorporated in the scheme are put into effect they will, it is considered, greatly assist in relieving congestion in marshalling yards, and so expedite handling of wagons. As this portion of the scheme is technical I do not detail the proposals which have been made.

It is proposed that the scheme should be put into effect from 1st January 1922, the method of allocating wagons being as follows:—

The Mining Engineer to the Railway Board will receive preferential supplies up to a limit of 1050 wagons on any one day.

The necessary requirements of Public Utility Companies will also be met by preferential supplies.

After requirements under the above classes have been met the balance of the wagons available will be distributed to collieries *pro rata* to raisings plus stocks, less sales made to the Mining Engineer or Public Utility Companies. From the wagons so received by a colliery and on the joint application of buyer and seller, the number required to effect despatches against contracts will be given preference in loading. This arrangement is referred to as "Special Transport Facilities".

Preferential Supplies.—If and when the Mining Engineer and/or Public Utility Companies enter into further contracts, wagons for the carriage of coal so purchased will be given under preferential supplies but will be deducted from the selling colliery's "basis" supply. That is to say, it is agreed that on the arrangements as now made a maximum of 1050 wagons daily is to be supplied for the carriage of coal purchased under existing or new contracts made by the Mining Engineer and that preferential supply is only extended to Public Utility Companies to the point of ensuring that they will not close down for want of wagons to carry the coal for which they have contracts.

Public supplies.—It is recognised that the Committee have no power to decide whether a contract exists between a seller and buyer or to give a ruling on any dispute which may arise between the parties to a contract. "Special Transport Facilities" can therefore only be arranged on the Joint application of buyer and seller, and must be discontinued at the request of either party. The proposals are that on an application for "facilities" the coal Transportation Officer will record the contract, and despatches to the cousumer concerned will be a "first charge" on the wagons allotted to the Colliery on "basis". In the event of applications in excess of a colliery's "basis" being submitted for registration, the Coal Transportation Officer will immediately advise seller and buyer that the contract cannot be recorded. Similarly if one of the parties to an arrangement for "Special Transport facilities" requests that they be cancelled the other party will at once be advised by the Coal Transportation Officer that this is

being done. It is a condition of this arrangement that consumers will not be permitted to accumulate large stocks of coal.

It will be seen that Mr. Roy and I have found it necessary to call attention to the absence from the scheme of any arrangement to assist industrial concerns which may be in grave danger of closing down through shortage of coal.

Further note by Mr. G. S. Pelly, Coal Transportation Officer, for consideration of the Coal Transportation Committee.

I have had several interviews with the members of the Indian Mining Association and Indian Mining Federation and Messrs. McKenzie and Roy as representing the consumers and we are practically agreed that the following procedure if adopted will be the means of establishing a workage scheme.

(1) *Basis of supplies of wagons.*—The first important decision to be arrived at was that of fixing a basis of wagon supplies to each Colliery. Before it was possible to come to any decision it was necessary to interview the Mining Engineer to the Railway Board to ascertain what his daily requirements of wagons would be. These requirements are 1,050 wagons per day and the Mining Engineer has undertaken that his requisition will not exceed this number on any one day.

Having obtained this undertaking the following procedure relative to the determining of basis of supplies was decided upon—

(*a*) All collieries will submit returns of their stock as on 31-12-20 and of their raisings for the first quarter of 1921 to the Coal Transportation Officer.

(*b*) From the figures submitted the sales to or through the Mining Engineer will be deducted and the balance will be the quantity on which the Coal Transportation Officer will work to arrive at the basis supplies for each colliery for the first quarter of 1922.

It will further be necessary to reserve a certain number of wagons for carriage of supplies for the use of Public Utility Companies (such as Inland River Steamer Companies, Gas Works, Electric Light Power Houses, Water Works) and in these cases also such sales will be deducted from the output so that the basis supplies will be fixed on the reduced output.

(*c*) From April 1922 and onwards the basis supplies will be fixed monthly and to arrive at the figures on which to work the raisings of the month but one before the preceding month will be taken *e. g.*, for April's basis the raisings of January plus the stock on the 1st January will be worked upon and so on.

Beginning from 1st January 1922 all Collieries must submit returns of raisings of each month to the Chief Inspector of Mines so that there will be no difficulty in supplying similar information to the Coal Transportation Officer as required by that official for the purpose of fixing the basis supplies.

(*d*) The figure a Colliery receives as its basis represents the number of wagons it will be entitled to receive daily from the total number of wagons which it is estimated will be available for distribution in such proportion as its raisings and stocks bear to the total raisings and stocks of the District in which it is situated.

(*e*) The basis figures of all Collieries shall be published for the information of all concerned.

(2) *Indenting for wagons, the supply of wagons and the loading of wagons.* The procedure of arriving at the basis having been agreed to, the following has been agreed to relative to the indenting for wagons and loading and despatching same.

(*a*) *Indenting.*—Collieries shall indent for wagons in the manner prescribed by the Railway Companies, such indents must indicate the importance of requirements so that in the event of only *pro rata* supplies being available the Railway Companies may be in a position to allocate wagons to suit the colliery.

(*b*) *Wagon supplies.*—The Railway Companies shall supply wagons against indents from the Collieries and such supplies shall be given as follows :—

Firstly, against preferential requirements, *i. e.* the requirements of (a) The Mining Engineer and (*b*) Public Utility Companies.

Secondly, against basis supplies.

It is not necessary to comment on the preferential supplies beyond stating that once the scheme comes into operation any further sales made to the Mining Engineer and-or Public Utility Companies will be treated as sales made for supplies from wagons received on the basis system and although a colliery making such sales will receive special wagon supplies obtained from the wagons reserved for the Mining Engineer's and/or Public Utility Companies' requirements yet these special supplies will absorb its "basis" wagons so that it will not be able to despatch any coal to the public.

For example a colliery with a basis of 5 wagons may make a fresh sale to the Mining Engineer and/or a/c Public Utility Companies for delivery after this scheme comes into force. The Colliery will get preferential supplies of wagons to the extent of 5 wagons but it will not receive any wagons against its "basis". In this connection it is to be clearly understood that these further preferential supplies for the Mining Engineer shall be met out of the 1050 wagons already reserved for his requirements.

The supplies of wagons against "basis" shall be very carefully made. If supplies were likely to be full on basis no trouble would arise but it is more than probable that supplies will only be *pro rata* on basis and such being the case it is necessary to arrange for facilities to meet the requirements of buyers and sellers. Such facilities which have hitherto been known as authorisations or sanctions may be designated in future as "Special Transport Facilities."

Under this arrangement buyers and sellers may mutually arrange with the Coal Transportation Officer regarding their contracts. The arrangement will be to produce contracts and for the sellers to agree to earmark a certain number of their *pro rata* supplies for the buyers with whom this arrangement has been made. The arrangement however will be entirely optional and one

which can be cancelled by the seller or buyer at any time. If however the arrangement is in force the seller must adhere strictly to same and the Railway Company shall insist on the arrangement being given effect to. Further the Railway Company will have the right to refuse to book wagons which may be tendered for the despatch in contravention of the arrangement.

In the event of it being necessary to obtain "Special Transport Facilities" the wagons supplied against such arrangement will be deemed to be against the basis supplies. Thus the "Special Transportation Facilities" can only be afforded to the extent of the basis *i. e.* if a Colliery has a monthly basis of 120 wagons the facilities can only extend to 120 wagons.

The Coal Transportation Officer will maintain the necessary records as to consumers and collieries such records will show all details as to requirements &c., on the one hand and facilities afforded etc., on the other.

We record our disagreement with the Committee's proposals in so far as they fail to provide for assistance to industrial concerns, with outstanding contracts, in grave danger of closing down for want of coal. In our opinion discretion ought to have been given to the Coal Transportation Officer to give such assistance.

We recognise that the registering of contracts can only be effected by arrangement between buyer and seller as the Committee cannot decide whether a contract is "in being" or has lapsed and the quantity to be delivered monthly under any existing contract must also necessarily be agreed between buyer and seller in view of shortage of raisings, or of wagons. With reference to the informal Committee's proposal that all new contracts must be registered, it appears to us that consumers can ensure this when negotiating the contract.

D. P. McKENZIE.
J. N. ROY.

30th September 1921.

No. 1968-70.

Chamber of Commerce,
Bombay, 27th October 1921.

The Hon'ble Mr. A. H. Froom,
Bombay.

Dear Sir,—I am directed to acknowledge receipt of your letter of the 19th instant, and its accompaniments,

forwarding papers in connection with the report of the Committee appointed to consider the best method of allocating railway wagons for the distribution of coal in India and inviting the opinion of my Committee upon certain proposals made by Mr. G. S. Pelly, the Coal Transportation Officer, in that connection.

2, Generally I am to say that my Committee approve the proposals in question subject to certain modifications, namely :—

(a) That clause I (e) of Mr. Pelly's note be altered to provide that, in addition to the basis figures, the actual number of wagons supplied to each Colliery during the previous month against those figures shall also be published for the information of all concerned.

(b) That, with reference to the provision made in the scheme for the registration of contracts by mutual arrangement between buyers and sellers, the seller shall not have the option of cancelling the arrangement, when once the registration has been effected, without adequate and satisfactory reasons, e. g. non-payment of bills etc.

(c) Provision should be made in the scheme to cover the point raised by Messrs. McKenzie and Roy in the first paragraph of their minute of dissent.

3. In connection with (b) I am to state that my Committee hold very strong views in that connection as they can see no reason why contracts relating to Coal Supplies should not be as binding upon both parties as any other contracts and they deprecate very emphatically the suggestion that the supplier should be allowed to withdraw from such contracts whenever it is to his interests to do so. My Committee are of opinion that no solution of the wagon supply problem satisfactory to industrial interests on this side of India can be found until the binding nature of such contracts is recognized, and accepted in practice, by all parties to the transaction.

I return herewith the accompaniments to your letter.—Yours faithfully,

C. B. SAYER,
Secretary.

APPENDIX N-1

BOMBAY TELEPHONE SERVICE.

No. 2393.

Government of India,
Department of Commerce,
Delhi, 16th March 1921.

The Secretary, Chamber of Commmerce.
Bombay.

Sir,—I am directed to reply to your letter No. 226-65, dated the 27th January 1921, regarding the condition of the Telephone Service in Bombay. You say that complaints are frequently being received from members of your Chamber with reference to the inefficiency of the present service, and you attribute this inefficiency to the fact that the Government of India have not decided whether they intend to exercise their option of purchasing the undertaking in 1923 in accordance with the terms of the license. You ask to be informed when a decision may be expected.

2. I am first to explain, for the information of your Committee, what the terms of the license are. In accordance with clause 8 of the license the Government can, by giving not less than 12 months' previous notice, purchase the undertaking on the 31st March 1923, 1928, 1933, 1943, or 1953. The price to be paid on the 31st March 1923 would be :—

(i) The then value of lands, buildings works, materials and plant.

(2) An annuity, on account of goodwill and compulsory sale, for 15 years to be calculated according to the following formula :—

Eleven-tenths of the average annual net profits of the licensees for the preceding 3 years *minus* a sum equal to 5 per cent of the amount to be paid as the value of the property, plant, etc.

3. Your Committee will readily understand that the intention of this formula was to protect the Government against purchasing the undertaking at a loss. It was expected that the immediate annual net profits would be not less than eleven-tenths of the average annual net profits of the three preceding years, while the 5 per cent deduction was intended to cover the interest on the

capital outlay. At the same time, the clause secured for the Company not only full payment for the then value of the undertaking, but also substantial compensation on account of good-will and compulsory sale.

4. On the other hand, it will be apparent to your Committee that if the Company were aware of the intentions of the Government for some years in advance, it would be able, by reducing all expenditure to a minimum and inflating its profits during the last three years of the license, to secure an annuity which would be much in excess of the annual net profits which would accrue under normal methods of management. It is true that the capital value of the undertkaing would thereby be diminished. But capital expenditure would also have been saved ; and as a further set off there would be a corresponding decrease in the 5 per cent deduction to be made from the annuity. The effect would be that the Company would not only reap inordinate profits during the last years of the license, but would also be sure of a heavy annuity, assessed at a wholly fictitious figure, on account of the good-will and compulsory sale of system which was just about to fall to pieces.

5. The only safeguard against such evasion of the intention of the license is the provision which requires only 12 months' notice of termination. The object of this provision is that the Government when they decide to exercise their option, should have a reasonable chance of purchasing a going concern and not a moribund system. It is this safeguard which your Committee now asks the Government to abandon.

6. At the same time, the Government of India are fully alive to the inconvenience which the Company's methods of management are inflicting on the Bombay public ; and they have expressed their willingness to enter into an arrangement with the Company which would secure an efficient service for Bombay consistently with the interests of the general tax payer. The negotiations between the Government and the Company, regarding which your Committee does not appear to have been accurately informed, are instructive and will now be briefly summarised.

7. As already stated, the terms of the license secure for the Company, in the event of purchase by the Government, not only full payment for the then value of the undertaking, but also substantial compensation on account of good-will and compulsory sale. At the beginning of

1919, however, or 4 years before the earliest date on which the Government could purchase under the terms of the license, the Company in response to a reference from the Director General of Posts & Telegraphs, warned the Government that in view of the possibility of such purchase, the interests of the shareholders required that all the capital expenditure should be reduced to a minimum, and the system rendered "practically stagnant and incapable of expansion for some time owing to lack of spare plant." The possibility of immediate purchase by the Government was then discussed. But here again, the Company warned the Government, that the sum which the Company would be prepared to accept compensation for terminating the license prior to 1923, would be one which did not leave "the slightest doubt regarding the safety of the shareholders' interests and would not be subject to arbitration."

8. The Company, however, submitted other alternatives for the consideration of the Government. One of these alternatives was as follows:—On the understanding that the Government would purchase the undertaking in 1923, the Company would instal a full automatic or other up-to-date system, to Government specification, with the least possible delay. The entire capital for this would be found by the Company. The Government would then pay for the whole undertaking in accordance with the terms of the license, and in addition would also pay for the apparatus rendered useless by the introduction of the new plant.

9. This offer was less favourable to Government than the strict terms of the license, for it rendered them liable to pay for scrapped plant which was practically useless. The Government, however, were impressed with the necessity of doing everything possible, in the interests of the Bombay public, to secure the installation of an efficient system at the earliest possible date, and they opened negotiations with the Company on the basis of this offer. In the course of the negotiations, the Company made two further demands, viz:—

(1) that the Government should pay interest on all capital sums expended by the Company in developing and modernising the system;

(2) that the Government should also pay the amount of the depreciation in the value of any apparatus and appliances purchased by the

Company and not brought into use prior to the expiration of the license.

The Government agreed to the demands also, and instructed their solicitor to prepare a draft agreement on this basis.

10. On receipt of the draft agreement, however, the Company stipulated that it should be left to the Company to decide whether it would take any, and if so, what steps to develop and modernise the undertaking between the date of notice and the date of expiration of the license. It would be obvious to your Committee that this stipulation stultified the whole object of the negotiations. There was no guarantee that the present system would in any way be improved. There was no *quid pro quo* in return for the concession of giving notice of purchase two years in advance of the due date. On the contrary, the only effect of the agreement, as modified by the Company, would have been to extend by two years the period in which the management could safely have been manipulated so as to secure the maximum compensation in 1923. It has been seen in paragraph 7 above what methods of management were considered necessary in the interests of the shareholders when purchase in 1923 was only a possibility. The methods which would have been adopted when purchase in 1923 became a certainty, were left to the imagination. But it seemed unsafe to assume that the development and modernisation of the undertaking would be considered to be compatible with the interests of the shareholders.

11. The negotiations were accordingly broken off. As the case now stands, it is understood that the Company will take no steps to improve the system unless it is guaranteed an extension of the present license for a long period of years. The Government of India are unable to guarantee any such extension.

* * * * *

12. In these circumstances matters for the present are at a deadlock. But the whole question is under the consideration of Government and it is hoped that it will be possible to arrive at a solution which will be satisfactory to both parties and to the public.—I have etc.,

* * * * *

G. L. CORBETT,
Deputy Secretary.

No. 704-65

Chamber of Commerce,
Bombay 6th April, 1921.

The Deputy Secretary to the Government of India,
Department of Commerce, Delhi.

Sir,—I am directed to acknowledge receipt of your letter, No. 2293, dated the 16th March 1921, regarding the condition of the telephone service in Bombay and indicating generally the attitude of the Government of India in the matter.

In reply I am to state that my Committee appreciate fully the difficulties in the way of a satisfactory settlement of the present deadlock. They are, however, not in favour of the Government taking over and managing the Bombay Telephone Company and are strongly of opinion that the only remedy possible in the circumstances set forth in your letter is that the Government of India should enter into a new agreement with the Company under which a license over a long period of years would be guaranteed provided the Company, in their turn, agreed to a definite minimum annual capital expenditure.—I have etc.,

C. B. SAYER,
Secretary.

No. 272-S.

Government of India,
Department of Commerce,
Simla, 25th April 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed to acknowledge the receipt of your letter No. 704-65, dated the 6th April 1921.—I have etc.,

R. EWBANK,
Deputy Secretary to the Government of India.

No. 1342-65

Chamber of Commerce,
Bombay, 5th July 1921.

The Secretary to the Government of India,
Department of Commerce, Simla.

Sir,—I am directed to refer to your letter, No. 272-S, dated the 25th April 1921, and previous correspondence, regarding the condition of the telephone service in Bombay, and in the above connection to enquire whether

a solution of the present deadlock in the matter of the renewal of the Company's license has yet been arrived at.

In the event of the answer being in the negative I am to add that my Committee will be grateful if they may informed as to the general trend of negotiations subsequent to the events described in Mr. Corbett's letter, No. 2393, dated the 16th March 1921. My Committee will also appreciate the favour of an early indication of the intentions of the Government of India in the matter having regard to the views expressed by them in my letter, No. 704-65, dated 6th April 1921.—I have etc.,

C. B. SAYER,
Secretary.

No. 1358-65
Chamber of Commerce,
Bombay, 8th July 1921.

The Manager,
The Bombay Telephone Co, Ltd.,
Bombay.

Dear Sir,—I am directed to refer to the correspondence resting with your letter. No. "C. R.", dated the 17th January last, and, in particular, to the explanation which you were good enough to afford my Committee with regard to several undesirable features then apparent in the Telephone service.

In view of the explanation in question and especially the assurance you gave them that steps had been taken to improve the number and efficiency of the personnel of the Company, my Committee, as you are aware, subsequently addressed the Government of India in the matter of the extension of the Company's license. Such action on the part of my Committee was based upon the assumption that the inefficiency of the service then provided was occasioned in part, if not entirely, by the failure of Government to announce their intention with regard to the renewal of the license and that you were in fact doing your utmost to get the best out of your present installation.

My Committee, however, regret to observe that complaints with regard to the working of the service are actually becoming more frequent and more serious. Their attention has been drawn specifically to your correspondence with Messrs. Louis Dreyfus & Co., with copies of which they have been favoured. The firm in question gives in detail its experiences in connection

with a certain call, and the members of the Committee are of opinion that its experiences, so far from being exceptional ones, are of the commonest daily occurrence. The leading firms do not now work with ignorant sepoys, but through a Central Exchange controlled by a more or less trained operator, a fact which does not appear to have improved the communications in the least degree.

My Committee understand that one of your assistants has committed himself to the statement that no Telephone Company could make effective more than 50% of its calls. This appears to my Committee to be a singularly low standard, which would not be acceptable in any other country. But as a matter of fact your Company's performances fall far short of even such a moderate promise.

Such service on the Company's part, my Committee submit, is hardly in keeping with their plaint that, with the renewal of the license for a long period of years and the installation of the automatic system, their subscribers will no longer have any cause for complaint. As an earnest of their good intentions in the matter and a sure means of enlisting the support of the mercantile community in their representations to Government with regard to the license, my Committee would submit for your most careful consideration the desirability of rendering as efficient a service as possible with the facilities you now enjoy and, to that end, the employment of a larger number of, and more experienced, operators even if such a course necessitates the payment of a higher rate of wages and a proportionate temporary decrease in the Company's gross profits.—Your faithfully,

C. B. SAYER,
Secretary.

Bombay Telephone Co., Limited.
Bombay, 2nd September 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—With further reference to your letter No. 1358-65 dated 8th July 1921, I have to reply thereto as follows :—

The Company in a letter dated 17th January 1921 explained very fully the difficulties which had to be met. The present position is that the difficulties referred to still obtain, and so far as faults are concerned have been materially increased by a monsoon of exceptional violence.

The Company has taken all reasonable measures to carry into effect the assurances given with regard to the

improvement in the number and efficiency of the personnel. The starting salary of operators which was Rs. 60 to Rs. 80 per mensem according to ability, has been increased to Rs. 100 per mensem, and the Company has continuously advertised for operators at the increased rate for some time past. Although many operators have been engaged in consequence, the number of operators leaving the Company's employment due to reasons entirely beyond the Company's control has been so large, that little improvement has so far been experienced.

Continuous efforts have been made to obtain a larger and more competent staff of instrument inspectors. Sufficient suitable men are not forthcoming, although the Company is prepared to pay Rs. 150, or even Rs. 200 per mensem, which is a high salary for the ability required.

In addition to the above a Provident Fund has been inaugurated, and free medical attendance has been introduced, for the entire staff.

Arrangements are in progress for the purpose of approximately doubling the covenanted staff of the Company.

The double supervisory system has been completed, and is working.

The new exchange premises at Byculla have been completed and await the delivery of apparatus.

The reference made to one of this Company's Assistants is evidently in connection with a conversation which took place between a representative of Messrs. Louis Dreyfus and Co. and an assistant of this Company.

The latter explained that under certain circumstances any telephone administration would have to be satisfied with 50 per cent. effective calls. The correctness of the statement is borne out by records since taken on Messrs. Louis Dreyfus and Company's telephone No. 409.

The gist of the conversation however appears to have been misunderstood, and consequently distorted.

For the purpose of conclusively disproving the statement made by your Committee that effective calls fall short of even 50 per cent. over four thousand consecutive calls received between the hours of 10 a. m. and 6 p. m. have been placed under observation, and the tabulated results are submitted herewith. From these it will be seen that the actual number of effective calls represented 75·37 per cent. and the ineffective calls 24·63 per cent. Of the latter 18·65 per cent. of the calls were ineffective owing to the number required being engaged, and 5·98 were ineffective owing to no replies being obtainable. An ineffective call due to no reply being obtained

may be due to the absence or inattention of the subscriber, or to the telephone being out of order.

It will be seen that the no-reply percentages are highest in the early morning and evening, and are as low as 3·21 in the middle of the day, which goes to prove that by far the greater portion of ineffective calls is attributable to subscribers, and not to telephones being out of order.

The following record of verbal and written complaints received shows that there has been a rapid decrease recently :—

Week	ending	30th July	...	1685
"	"	6th August	...	1327
"	"	13th "	...	1255
"	"	20th "	...	849
"	"	27th "	...	796

Speaking generally faults are dealt with in the order reported, but special attention is given to important telephones.

Regarding the closing paragraph of your letter, a reference to the Company's Annual Report for the year ending 31st December 1920 will show that the Company, for the first time during its history, paid a declining dividend. This was almost entirely brought about by the payment of higher wages in order to ensure efficiency.

The Company will most willingly give a careful hearing to any suggestions which your Committee may advance with a view to improve the telephone service, and to that end it is thought desirable that the Company's representative be asked periodically to meet your Committee, or Sub-Committee appointed for the purpose, in order that both sides of the question may be discussed.

Correspondence regarding individual calls is not likely to serve the intent of your Committee, when it is realised that the Company deals with about a million calls per week. With that large number it is only to be expected that certain calls are unsatisfactorily dealt with.

The Company however adheres to the view that the only one real solution of the problem is the replacement of the present manual system by an up-to-date automatic system. Since advancing that view on a previous occasion, the possibility of carrying it into effect has been materially assisted by Government offering to the Company twenty years extension of tenure on conditions which are now being considered by this Company's Board of Directors.—Yours faithfully.

C. ROBINSON,
Manager & Secretary.

SUMMARY OF CALLS OBSERVED AT POSITION NO. 1
OVER A PERIOD OF THREE DAYS (10 A.M. TO 6 P.M.)

Time		Calls observed	Effective		Ineffective			
					Number engaged		No reply	
From	To		Actual	Per cent.	Actual	Per cent.	Actual	Per cent.
10 a.m. ...	11 a.m. ...	387	304	78·55	52	13·44	31	8·01
11 a.m. ...	12 noon ...	578	452	78·2	102	17·65	24	4·15
12 noon ...	1 p.m. ...	578	421	72·84	134	23·18	23	3·98
1 p.m. ...	2 " ...	495	382	77·17	87	17·58	26	5·25
2 " ...	3 " ...	499	394	78·96	89	17·83	16	3·21
3 " ...	4 " ...	562	424	75·44	113	20·11	25	4·45
4 " ...	5 " ...	587	407	69·34	135	23	45	7·66
5 " ...	6 " ...	513	381	74·27	71	13·84	61	11·89
	Total ...	4,199	3,165	75·37	783	18·65	251	5·98

No. 304-P. W.

Government of India,
Public Works Department,
Simla, 5th September 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—In reply to your letter dated July 5th, I am directed to state that after further consideration of the case for the acquisition of the Bombay Telephone Company, the Government of India have decided to follow the course indicated by your Chamber, and do not now propose to acquire the system of the Bombay Telephone Company in 1923. They have instructed the Director-General of Posts and Telegraphs to offer to the Company a guaranteed extension of their existing license up to March 31st, 1943, subject to certain conditions which are intended to ensure in future the maintenance of a thoroughly efficient service and which will be embodied in a formal contract. This offer has already been communicated to the Company, and their reply is awaited.—I have etc.,

R. EWBANK,
Deputy Secretary to the Government of India.

No. 1712-65.

Chamber of Commerce,
Bombay, 14th September 1921.

C. Robinson, Esq.,
Manager and Secretary,
The Bombay Telephone Co, Ltd.,
Bombay.

Dear Sir,—With reference to your letter, dated the 2nd September 1921, and its accompaniment, I am directed to state that my Committee will be glad if you will be good enough to be present at their next meeting, at 3 p.m. on the 21st instant, when the question will be further discussed.

2. In the meantime I am to state that my Committee understand from the Government of India that the offer of a guaranteed extension of the existing license up to March 31st 1943 has been made to your Company "subject to certain conditions which are intended to ensure in future the maintenance of a thoroughly efficient service and which will be embodied in a formal contract." My Committee will accordingly be grateful, in order that they may be in a position to view the question

from both sides, if you will be good enough to favour me, as soon as possible, with a copy of the terms in question so far as they relate to the above quoted portion of a letter from the Government of India.

My Committee do not, of course, desire to know the nature of any financial arrangements that may be involved but merely the nature of the conditions to which the letter from the Government of India refers and which, it is understood, are now under consideration by your Board.—Yours faithfully,

C. B. SAYER,
Secretary.

No. 1788-65.

Chamber of Commerce,
Bombay, 27th September 1921.

The Deputy Secretary
to the Government of India,
Public Works Department, Simla.

Sir,—With reference to your letter, No. 304-P.W., dated the 5th September 1921, I am directed to state that my Committee will be grateful if they may be furnished with a copy of the conditions "which are intended to ensure, in future, the maintenance of a thoroughly efficient service and will be embodied in a formal contract," referred to therein, so far as they relate to the above quoted portion of your letter.

2. I am to add that my Committee do not, of course, wish to know the nature of any financial arrangements that may be involved but merely desire to ascertain the extent of the protection likely to be afforded to the commercial community and the public in general in the event of the conditions in question being embodied in a formal contract.—I have etc.,

C. B. SAYER,
Secretary.

No. 699-P.W.

Government of India,
Public Works Department,
Simla, 12th October 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—In reply to your letter No. 1788-65, dated September 27th, I am directed to state that the conditions intended

to secure an efficient telephone service in future in Bombay have not yet been embodied in formal contract form but the substance of the terms that have been proposed for the acceptance of the Bombay Telephone Company is as follows:—

(1) The Company shall forthwith arrange for the installation of an automatic or modern central battery system and this work shall be completed within such period not exceeding five years, as may be arranged between Government and the Company.

(2) (a) In the case of subscribers' circuits which are never connected through to a Government Trunk exchange the transmission equivalent of the circuit shall not exceed eight miles of standard cable, and the instruments used shall be capable of transmitting and receiving clear commercial speech over a circuit comprising any two such subscribers circuits joined by regular cord circuits to an artificial line having an equivalent of 10 miles of standard cable.

(b) In the case of subscribers' circuits which may be connected through to a Trunk exchange the transmission equivalent of the subscribers' circuit plus all cord or junction equipment, or terminal equipment, in the Company's exchange shall not exceed five miles of standard cable, and the instruments used shall be capable of transmitting and receiving good clear commercial speech over a circuit built up of two such subscribers' circuits joined by the regular cord or junction equipment to an artificial line having an equivalent of 30 miles of standard cable.

(c) The Company shall make regular service observations and submit to the Director-General of Posts and Telegraphs, a quarterly summary of these observations showing:—

(1) Wrong connections (wrong numbers, etc.)

(2) Time in answering calls.

(3) Time in clearing calls.

(4) Time in answering recalls (lamp flashing by subscribers).

(3) In the event of Government deciding to close any of the existing Government systems in areas in which the Company is operating the latter shall be required to transfer to their system all or any of the subscribers on the Government system upon being given reasonable notice.

(4) The terms of clause 20 of the first schedule of the existing license must be understood to include exchanges worked in connection with Government long distance trunk lines.

(5) The Company shall be bound to extend their system, if so required by Government, so as to include any suburb of the town or towns in which it is operating, provided that a reasonable demand for telephone facilities exists in such suburb.

(6) Should the Company fail to observe any of the preceding conditions the Government of India will be entitled to revert to their rights under clause 8 of the main license.

I am to add that the Government of India are prepared to give careful consideration to any reasonable demands for additional safeguards which your Committee may desire to suggest.—I have etc.,

R. EWBANK,
Deputy Secretary.

No. 2066-65.

Chamber of Commerce,
Bombay, 15th November 1921.

The Deputy Secretary,
to the Government of India,
Public Works Department, Delhi.

Sir,—I am directed to acknowledge receipt of your letter, No. 699-P. W., dated the 12th October 1921, and, in reply, to thank you for the information therein given as to the probable conditions to be embodied in the contract with the Bombay Telephone Company.

2. The clauses that are of interest to the Bombay public are chiefly 1, 2(c) and 6; of these clauses I am to say that 1 & 6 are satisfactory.

3. With regard to clause 2(c), however, I am to draw the attention of Government to the fact that the chief

complaint against the present working of the Bombay telephones lies not in any delay in clearing a call after its acknowledgment but in the extreme difficulty of obtaining a reply at all from the exchange. The experience of each member of my Committee is that, although the service within a few hundred yards of the Exchange is tolerable, all telephones outside a small radius, whether at Malabar Hill or at Parel, are most unreliable. They are frequently out of action for long periods at a time, and even when they are apparently in working order, it is a matter of great uncertainty as to whether any call will be answered by "Central." For obvious reasons no record of such failures is kept by the Company but my Committee consider that no system of service observations is likely to be of any value unless at any rate complaints in regard to such failures are recorded. It may not be found that the number of complaints now made is unduly high; but it must be remembered that, as things now stand, there is little inducement to a subscriber to complain in the hope of any improvement in his service.

4. My Committee consider that the only remedy for the present state of affairs is that, in addition to the other safeguards proposed in your letter, a register of complaints should be instituted for regular inspection by a qualified officer, that subscribers should be invited to make their complaints and that an undue proportion of complaints should operate in the same direction as an unsatisfactory service on the lines laid down in para 2(c).

5. My Committee are not aware whether it is practicable to enforce penalties of any kind in addition to the threat of a cancelment of license, but they observe that while the Company is to be compelled to make regular service observations, failing which the proposed license will be cancelled, no provision is made for any sort of penalty in the event of the service proving unsatisfactory, nor apparently has Government any right in that event to cancel the License.

6. I am therefore to request Government to consider this aspect of the case in order that everything possible may be done to ensure a satisfactory service.—I have etc.,

C. B. SAYER,
Secretary.

No. 979-P.W.

Government of India,
Public Works Department,
Delhi, the 19th November 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed to acknowledge the receipt of your letter No. 2066-65, dated the 15th November 1921. A reply will follow.—I have etc.,

C. G. HAMILTON,
Assistant Secretary.

The Chamber of Commerce,
Bombay, 28th December 1921.

The Committee.

Gentlemen,—I enclose herewith a copy of the proposed agreement between the Secretary of State for India in Council and the Bombay Telephone Company, Ltd., the terms of which have recently been under discussion with the Government of India.

The copy has been given to me by Mr. Parker Ness, Vice Chairman of the Board of Directors of the Oriental Telephone Company, the parent body of the Bombay, Calcutta, Madras, Rangoon and, in fact, all the subsidiary telephone companies throughout the East, who has come out specially to conduct the negotiations with Government with regard to the new agreement and similar agreements in the case of all the other companies.

I understand that the agreement has been approved by the Bengal Chamber and other bodies in Calcutta and Mr. Parker Ness will be glad if the Committee will signify their approval, or otherwise, of the enclosed draft for communication to the Executive Council of the Governor-General before which body it is shortly to appear for ratification.—I am etc.,

C. B. SAYER,
Secretary.

Agreement made this day of December One thousand nine hundred and twenty-one between the Secretary of State for India in Council (hereinafter referred to as "the Government") of the one part and the Bombay Telephone Company, Limited

whose Registered Office is situated in Bombay (hereinafter referred to as "the Company") of the other part, supplemental to a License dated Twenty-ninth day of July One thousand nine hundred and ten and made between the same parties, being a License for the working and maintaining by the Company of telephones in Bombay and elsewhere as in the License more particularly defined. Whereas the parties are desirous of varying the provisions of the License as more particularly hereinafter appears and for such propose have agreed to enter into this Agreement. Now it is hereby agreed by and between the parties hereto as follows :—

(1) The Government agrees not to exercise its right of purchase under the License before Thirty first March One thousand nine hundred and forty-three.

(2) The Company undertakes to instal plant of the Automatic or Central Battery type in all its Exchanges except in those Exchanges whose Subscribers do not exceed three hundred in number.

(3) (a) When any two exchange subscribers' circuits are connected together on the same exchange or the circuit of an exchange subscriber whose office is on one exchange in an exchange area is connected with the circuit of another exchange subscriber whose office is on a different exchange in the same exchange area, and the radial distance between the two exchanges does not exceed ten miles. the standard of speech shall not be inferior to that afforded by standard talking circuits with zero loops connected by a length of 26 miles of standard cable.

(b) When the circuit of an exchange subscriber, whose office is on one exchange in an exchange area, is connected with the circuit of another exchange subscriber whose office is on a different exchange in the same exchange area, and the radial distance between the two exchanges exceeds 10 miles, the standard used shall be fixed in each case by mutual agreement taking into account all the circumstances of the case.

In the case of exchanges which are in excess of ten miles apart, the Company shall be authorised to chargea toll fee for calls between such Exchanges.

(c) The circuit of any exchange subscriber requiring trunk service over trunk lines controlled by the Government is to such that when two subscribers' circuits on the same exchange are connected through their own exchange apparatus to the terminals of an artificial line having equivalent length of 15 miles of standard cable—the artificial line being connected to the terminals in the Company's Exchange on to which the Government trunk junctions are (or will be) normally connected—the standard of speech shall not be inferior to that afforded by a standard talking circuit with zero loops connected by a line of 25 miles of standard cable.

The standard talking circuit with zero loops referred to above is as follows: —

When testing the allowances specified above it is assumed that a standard C. B. pedestal instrument with zero losses is used.

As there are always a few exceptional cases met with in every Exchange area it shall be sufficient if 95 per cent. of the Subscribers in the area come within the standards laid down.

(4) The maximum annual subscription to be charged by the Licensee for Exchange connections within four miles of the Exchange shall be Rupees three hundred and fifty, but the Company agree that the rate to be actually charged shall not exceed Rs. 300 until such time as the system has been converted to Central Battery or Automatic working to the extent of not less than 95 per cent. of the subscribers lines. The rates charged by the Licensees, so far as they exceed Rupees three hundred per annum, shall be subject to modification after five years from the date hereof by a percentage increase or decrease, it being understood however that the payment of a minimum dividend of twelve and a half per cent. (of which not more than 8 per cent. shall be cumulative) on the paid-up capital shall be an essential factor of such revision. It is also understood and agreed that in any year in which the net profits of the Company available for dividends and which it shall be determined to divide shall exceed the above dividend on the paid-up Capital such excess shall be applied as follows namely: if the excess is not greater than

5 per cent. one half thereof shall be credited to those Telephone Subscribers on the books at the date of the declaration of such dividend *pro rata* to the amount of their respective subscriptions for the past year and the amount so credited to each subscriber shall be allowed by way of rebate from his subscription for the following year: and the other half shall be distributed by way of further dividend among the members of the Company. If the excess is greater than 5 per cent. the excess over 5 per cent. shall be divided equally between the Government, the Company and the subscribers. The amount set aside annually for depreciation and reserve before the payment of a dividend shall not exceed 8 per cent. on the paid-up Capital of the Company.

(5) The Government agrees that from and after the date hereof the charge to be made for any existing and proposed connections required by the Government shall not be subject to a 25 per cent. deduction from the maximum rate but shall accord with the rate charged to the public.

(6) The Company shall have the right at any time to introduce what is known as the Message or Measured Rate System on giving six calendar months' previous notice of their intention so to do to the subscribers and in such an event, the rates to be charged shall be such as to give the Company a return by way of dividend of not less than 12½ per cent. on the paid-up Capital.

(7) If the Company shall form and register a limited liability Company in India to acquire the property of this Company and to carry on and develop the undertakings, the Government in Council shall consent to, and on the request of the Company, shall join in the transfer to such new Company of the License as hereby modified and all the Company's rights and privileges thereunder. The Articles of Association of the new Company shall provide for the application of profits over twelve and a half per cent. and also as to the amount to be set aside for depreciation and reserve in the manner set out in Clause four hereof.

(8) The Company shall make regular service observations and the said observations shall be open to inspection by any Government official or others authorised in that behalf showing :—

(a) Wrong connections (wrong numbers etc.)

(b) Time in answering calls

(c) „ „ clearing „

(d) „ „ answering recalls (lamp flashing by subscribers)

(e) Register of complaints.

(9) In the event of Government deciding to close any of the existing Government systems in areas in which the Company is operating the latter shall be required to transfer to their system all or any of the subscribers on the Government system by mutual agreement but within a period not exceeding 12 months.

(10) The terms of Clause 20 of the first schedule of the existing license shall be understood to include exchanges worked in connection with Government long distance trunk lines.

(11) The Company shall be bound to extend their system, if so required by Government, so as to include any suburb of the town or towns in which it is operating, provided that a return by way of dividend of not less than 12½ per cent is obtainable.

(12) Should the Company fail to observe any of the preceding conditions the Government of India will be entitled to revert to their rights under clause 8 of the main License.

(13) In all other respects, and save as expressly hereby varied the License of Twenty ninth July One thousand nine hundred and ten shall remain in full force and effect.

No. 44-65.

Chamber of Commerce,
Bombay, 9th January 1922.

The Deputy Secretary,
to the Government of India,
Public Works Department ,Delhi.

Sir,—With reference to the correspondence resting with your letter, No. 1173-P.W., dated the 16th Decem-

ber 1921, on the subject of the proposed extension of the license granted to the Bombay Telephone Company, Limited, I am directed to state that my Committee have recently had under consideration a copy of the proposed Draft Agreement between the Secretary of State for India in Council and the Bombay Telephone Company, Limited, the substance of the terms of which, in their original form, were communicated to my Committee in your letter, No. 699-P.W., dated the 12th October 1921.

2. My Committee are glad to observe that the terms in question now provide for the maintenance by the Company of a register not only of service observations but also of complaints, which is in accordance with their recommendation in that connection, and they presume that the present draft embodies, in their final form, the conditions which are intended to secure an efficient telephone service in future in Bombay, and now only awaits the formal ratification of the Governor-General in Council.

3. Upon the assumption contained in the foregoing paragraph I am to state, for the information of the Government of India in your Department, that my Committee are of opinion that the terms of the proposed Agreement, which have received their careful consideration, are as satisfactory as can be expected under existing conditions.

4. Accordingly I am to request that the Government of India may be moved to expedite the conclusion of the Agreement with a view to enable the Company to complete, at the earliest possible date, the various structural and other alterations necessary to secure a permanent improvement in the present service.—I have etc.,

C. B. SAYER,
Secretary.

No. 45-65 of 1922.

Copy forwarded with compliments to the Secretary and Manager, Bombay Telephone Company, Limited, for information with reference to previous correspondence in the same connection and for favour of communication to Mr. E. Parker Ness, Vice-Chairman, The Oriental Telephone Company, Limited.

C. B. SAYER,
Secretary.

No. 46-65 of 1922.

Copy forwarded to the Hon'ble Sir Arthur Froom for information and such action as he may desire to take in the matter.

C. B. SAYER,
Secretary.

No. 108 P.W.

Government of India,
Public Works Department,
Delhi, 16th January 1922.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed to acknowledge the receipt of your letter No. 44-65, dated the 9th January 1922, and to say that the draft agreement drawn up by the Government of India in consultation with the representative, of the Bombay Telephone Company has been referred to the Government of Bombay for their views and that further action is being deferred pending the receipt of their reply, which is expected not later than February 1st.—I have etc.,

R. EWBANK,
Deputy Secretary.

APPENDIX N-2.

THE ENGLISH MAIL CONTRACT.

Telegram No. 957 dated the 19th April 1921.

From—The Bengal Chamber of Commerce, Calcutta.

To—Chamber of Commerce, Bombay.

English Mail service. Please telegraph your views regarding proposed new arrangement whereby English Mail steamer will arrive Bombay Saturdays instead of Fridays and onward mails will leave Fridays instead of Saturdays. Opinion here is that this arrangement will be inconvenient to both Calcutta and Bombay and Chamber would like to know what action, if any, you propose to take.

No. 833-100.

Chamber of Commerce,
Bombay, 21st April 1921.

The Post Master General,
Bombay.

Sir,—I have the honour to enquire, by direction of the Committee of the Bombay Chamber of Commerce, whether you have received any information in regard to the revised terms of the P. & O. Mail Contract, and if so, as to when an official announcement will be issued in regard to the matter.—I have etc.,

H. ROYAL,
for Secretary.

No. 55139.

Bombay, 22nd April 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—With reference to your letter No. 833-100 dated the 21st April 1921. I have the honour to say that this office has received no information yet regarding the revised terms of the Mail Contract with the P. & O. S. N. Company.—I have etc.,

D. S. CAPTAIN,
for Postmaster-General.

Telegram No. 879-100 dated the 28th April 1921.

From—Chamber of Commerce,
Bombay.

To—Bengal Chamber of Commerce,
Calcutta.

Your telegram 19th instant no official confirmation of reported new arrangement regarding English mail can be obtained. Committee consider however arrangement outlined would be distinct convenience to Bombay. Letter follows.

No. 880-100.

Chamber of Commerce,
Bombay, 28th April 1921.

The Secretary,
Bengal Chamber of Commerce,
Calcutta.

Dear Sir,—I am directed to confirm the receipt and despatch of the following telegrams dated the 19th and 28th instant respectively:—

"English mail service. Please telegraph your views regarding proposed new arrangement whereby English mail steamer will arrive Bombay Saturdays instead of Fridays and onward mails will leave Fridays instead of Saturdays. Opinion here is that this arrangement will be inconvenient to both Calcutta and Bombay and Chamber would like to know what action if any you propose to take.—Bengal Chamber."

"Your telegram nineteenth instant no official confirmation of reported new arrangement regarding English mail can be obtained. Committee consider however arrangement outlined would be distinct convenience to Bombay. Letter follows—Bombay Chamber."

In the above connection I am to state that while the report in the press of the proposed new arrangement appears to be entirely unfounded my Committee will be glad to discuss with your Committee any points you may care to raise in the event of any arrangement of the nature indicated materializing at a later date. In the meantime I am to state that one of the chief considerations which have influenced my Committee in arriving at an opinion as to the suitability of the dates suggested is the present scarcity of hotel accommodation in Bombay. Another consideration, of which your Committee will doubtless not lose sight, is that if the new dates are adopted the whole of India will be on the same basis and Bombay will no longer be afforded the opportunity of answering letters one mail in advance of the rest of India.—Yours faithfully,

C. B. SAYER,
Secretary.

No. 1103-1921.

Bengal Chamber of Commerce,
Calcutta, 9th May 1921.

The Secretary, Chamber of Commerce,
Bombay.

The English Mail Service.

Dear Sir,—I am directed to acknowledge the receipt of your letter, No. 880-100 dated 28th April 1921, on this subject.

2. The Committee of this Chamber are indebted to you for the expression of opinion with which you have favoured them, on the subject of the proposed new mail

arrangement. The report which appeared in the newspapers was, I am to say, quite correct, as it was confirmed here by the Director-General of Posts and Telegraphs. The new scheme will come into operation later in the year, it is understood.

3. The Committee thought that the proposed new arrangement would be regarded as being very inconvenient for Bombay, and as it is certainly so regarded by Calcutta, they contemplated supporting any protest that you might make. The question of the lack of hotel accommodation did not occur to them; and in view of what you write they do not now propose to take any action in the matter.—Yours faithfully,

H. M. HAYWOOD,
Secretary.

No. 1634-100.

Chamber of Commerce,
Bombay, 29th August 1921.

The Secretary,
Bengal Chamber of Commerce,
Calcutta.

Dear Sir,—I am directed to invite a reference to your letter, No. 1103-1921, dated the 9th May 1921, and previous correspondence in the same connection, on the subject of the proposed new mail arrangement.

Although my Committee observe from your letter that the report of the arrangement which appeared in the press at that time was quite correct and that the new scheme will come into operation during the current year I am to state that the continued late arrival of the mail steamers is causing considerable comment and dissatisfaction generally in commercial circles in this city and to enquire whether any reference in the same, or a similar, connection has been made to your Committee.

In the event of the answer being in the affirmative I am to ask you to be so good as to state, for the information of my Committee, what action, if any, your Chamber has under consideration with a view to effect an improvement in the existing mail service pending the introduction of the new arrangements foreshadowed in your letter.

In the above connection I am to add that my Committee were given to understand by the Director-General of Posts and Telegraphs at an interview which they had

with him early in the present year that the new revised terms of the mail contract were still the subject of negotiations between Government and the Company concerned and, further, that, pending a decision in the matter, the provisions of the existing contract, and in particular those relating to the penalties in respect of the late arrival of steamers, etc., were more or less in abeyance.

My Committee, however, are still without definite information in regard to either the conditions and terms under which the mails are being carried at the present moment or the nature of the proposed terms of the new contract and any information which your Committee may be in a position to give them on the above two points will be very much appreciated. At the same time they will be glad to be informed whether your Committee contemplate taking any action in the direction of effecting an improvement in the existing service, and, if so, upon what lines.

I shall be grateful if I may be advised at an early date as to the views of your Committee upon the above points.—Yours faithfully,

C. B. SAYER,
Secretary.

No. 2066-1921.

Bengal Chamber of Commerce,
Calcutta, 12th September 1921.

The Secretary, Chamber of Commerce,
Bombay.

The English Mail Service.

I am directed to acknowledge the receipt of your letter, No. 1634-100 dated 29th August 1921, with reference to this matter.

2. In reply I am to say that the information before this Chamber is that the introduction of the revised scheme of arrivals and departures, which was announced in April last, has been postponed, because sufficient steamers of the type necessary to ensure punctuality are not yet available. The Committee question if any action on their part would be calculated to improve matters pending the introduction of this scheme. But they have written to the Director General of Posts and Telegraphs asking for information as to when it will be

introduced, and also as to whether, when it is introduced, punctuality will be ensured by the enforcement of the penalties prescribed by the mail contract. A copy of the Committee's letter is attached hereto for your information.—Yours faithfully,

H. M. HAYWOOD,
Secretary.

No. 2065-1921.

Bengal Chamber of Commerce,
Calcutta, 12th September 1921.

The Director-General of Posts and Telegraphs,
Simla.

Sir,—I am directed to refer to the announcement which was made in April last on the subject of the revised terms of the contract for the carriage of the mails between Great Britain and India.

2. This announcement was, as is of course known to you, that, with effect from July of this year, the English mail steamer would arrive in Bombay on Saturday of each week, instead of on Friday, and that the outward mail steamer would leave Bombay on Friday, instead of on Saturday. It is understood by the Committee of the Chamber that the introduction of this change has been postponed, for the reason that so far the P. & O. Company cannot provide a sufficiently large number of steamers of the class necessary to maintain the service with punctuality. It is further stated that the penalties provided by the contract for the late arrival of steamers are being held more or less in abeyance in the meantime.

3. The continued irregularity of the delivery of the English mails is unfavourably regarded in commercial circles, and I am instructed to ask if the Committee of the Chamber may be informed as to what the prospects are of the re-introduction of a regular service. Perhaps you may be also able to state whether it is still the intention to make the change referred to above. If such is the intention the Committee will be glad to know the date from which it is proposed to bring the revised system into operation; and further they instruct me to enquire whether, when the change is made, the penalties prescribed by the contract for late arrivals, etc., will be enforced.—I have etc.,

H. M. HAYWOOD,
Secretary.

No. 1789-100.

Chamber of Commerce,
Bombay, 27th September 1921.

The Director-General of Posts and Telegraphs,
Simla.

Sir,—I am directed to address you on the subject of the terms of the contract for the carriage of the mails between Great Britain and India and in that connection generally to endorse the views expressed by the Bengal Chamber of Commerce in its recent letter to you, No. 2065-1921, dated the 12th September 1921, on the same subject.

2. During the course of the interview, which my Committee had with you, on the 18th May 1920, they were given to understand that the question of the day on which the mail steamers should arrive in Bombay was then under consideration. It will also be within your recollection that the views of the meeting were invited as to the suitability of certain days suggested by you and that the consensus of opinion was to the effect that Friday was the most convenient day. From the announcement to which the Bengal Chamber refers in its letter it would appear, however, that the idea of a Monday arrival has been given up. Upon this point, however, my Committee are still without definite official information as a reference to the Postmaster-General, Bombay, in April last, merely confirmed their view that he was still without official advice on the subject. My Committee will accordingly appreciate the favour of an early official intimation as to the intentions of Government in the matter.

3. With regard to the question of the irregularity of the delivery of the mails my Committee find difficulty in reconciling the reply given by Mr. Innes in the Legislative Assembly on the 22nd February last to a question by Sir Frank Carter on the subject of the mail contract generally with the statement contained in the second paragraph of the letter from the Bengal Chamber under reference to the effect that the penalties prescribed by the contract in respect of late arrivals, etc., are being held more or less in abeyance.

4. The opinion expressed by the Bengal Chamber in the latter regard is very generally held by both the commercial community and the general public and, without prejudice to their view that every effort should

be made to ensure the attainment of a regular service with the minimum possible delay, my Committee venture to suggest that they should be afforded an opportunity of inspecting the terms of the contract in question at an early date.

5. My Committee will appreciate the favour of a reply to the two specific points raised in this letter, together with a copy of any communication which you may have addressed to the Bengal Chamber in reply to that Chamber's representation on the same subject, at your early convenience.—I have etc.,

C. B. SAYER,
Secretary.

No. 2207.

Bengal Chamber of Commerce,
Calcutta, 28th September 1921.

The Secretary, Chamber of Commerce,
Bombay.

The English Mail Service.

Dear Sir,—In continuation of my No. 2066 dated 12th September 1921, I am instructed to hand you herewith a copy of a letter, No. 144 E. J. dated 20th September, from the Director-General of Posts and Telegraphs, in this connection.

2. The Committee do not regard this communication as being in any way satisfactory, and they will be glad to be favoured with the views of your Chamber with reference to it. They also think of moving a resolution on the subject of the mail service at the next conference of the Chambers. And they will be glad to be favoured with your opinion upon this proposal also.—Yours faithfully,

H. M. HAYWOOD,
Secretary.

Copy of letter No. 144-E. J. dated Simla the 20th September 1921 from the Director-General of Posts and Telegraphs.

In reply to your letter No. 2065-1921 of 12th instant, I have the honour to say that the proposal to have a Friday departure from and a Saturday arrival at Bombay of the mail steamer has been dropped and it is hoped that, under the new contract, the pre-war arrangement of

a Friday arrival at and a Saturday departure from Bombay will be reintroduced.

With reference to your comment upon the continued irregularity of the English mails, the Chamber must be aware that the Peninsula and Oriental Company have lost 6 M. Class steamers and 4 other mail steamers during the war. Most of these steamers were lost when doing other work for Government and labour conditions since the Armistice have made it impossible to replace more than a small fraction of the losses. I think that the Chamber will admit that India owes a great debt to the Peninsula and Oriental Steam Navigation Company and to the Post Office for the service maintained during the war. The Company did all that was humanly possible. They maintained a fortnightly service between London and Bombay under the most extraordinary adverse conditions and since the Armistice they have reverted to a weekly service with a very reduced fleet.

The Post Office suffers severely from irregular arrivals of mails, but we know that the Peninsula and Oriental company are doing their very best with the ships available and are building new steamers with the utmost possible speed in order to replace their losses. I am not in a position to give any date for these replacements but I know that the Company are using every effort to accelerate them in order to reintroduce a regular service.

No. 1846-100.

Chamber of Commerce,
Bombay, 6th October 1921.

The Secretary, Bengal Chamber of Commerce,
Calcutta.

Dear Sir,—I am directed to acknowledge receipt of your letter, No. 2207, dated the 28th September 1921, and its accompaniment, with reference to the English Mail service, and to state that my Committee, upon receipt of your previous letter, No. 2066, dated the 12th id m, also addressed the Director General of Posts and Telegraphs upon the above subject. A copy of their letter in that connection is forwarded herewith for the information of your Committee, and I am to state that my Committee propose to await the result of their further representation before proceeding further in the matter.

2. I am to add that my Committee will address you further in regard to the various points raised in the second paragraph of your letter.—Yours faithfully,

C. B. SAYER,
Secretary.

No. E. J/9.

Camp Lahore, 1st November 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—With reference to your letter No. 1789-100 of 1921, dated the 27th September 1921, I have the honour to submit for your information a copy of the letter sent by me to the Bengal Chamber of Commerce which deals with one of the specific points raised by you.

2. With respect to the question of penalties, I am afraid I am not in a position to give any reply but in view of what I have said to the Bengal Chamber of Commerce I doubt if it would be either fair or feasible to ask the London General Post Office to impose penalties for late arrivals under present conditions. I have already brought to the notice of the Postmaster-General in London the very serious inconvenience which the irregular arrival of mails is causing to the commercial community in India, but I am afraid that until several more fast steamers are available it will be impossible to obtain the pre-war regularity of the service. I shall be in Bombay from the 26th to 30th November and if there are any matters in connection with the mail service or any other subject which the Chamber wish to discuss with me I shall be very pleased to meet them.—I have etc.,

G. R. CLARKE,
Director-General.

Copy of letter No. 144-E. J. dated 20th September 1921 from the Director General of Posts and Telegraphs to the Secretary, Bengal Chamber of Commerce. (Already printed in this Appendix.)

No. 3324-D.

Revenue Department,
Secretariat, Fort, Bombay,
16th December 1921.

The Chairman, Chamber of Commerce,
Bombay.

Subject.—Proposed change in the timings of the arrival and departure of the Foreign Mails.

Sir,—I am directed by the Governor in Council to forward copy of a letter from the Government of India, Public Works Department, No. 923-P.W. dated 14th November 1921 on the subject mentioned above and to request that this Government may be favoured with the opinion of the *Chamber* on the proposal made in the letter by the 15th January 1922 at the latest.—I have etc.

SHAMRAO D. MANKAR,
Under Secretary to Government of Bombay,

Letter from the Government of India, Public Works Department, No. 923-P.W. dated 14th November 1921 to the Chief Secretary to the Government of Bombay.

I am directed to inform you that the present contract with the Peninsular and Oriental Steam Navigation Company for the conveyance of the Indian, China and Australian mails will terminate on January 31st, 1924, and that the conditions under which tenders for a fresh contract for the carriage of Indian mails should be invited are now under discussion between the British Post Office, the Secretary of State, and the Government of India,

2. It is proposed that the service should consist normally of a service once a week from a port in the Mediterranean *via* the Suez Canal to Aden and Bombay, and *vice versa.* While parties tendering are at liberty to select any port in the Mediterranean as the Mediterranean port of departure and arrival, the forms of tenders are being prepared on the basis of a voyage between Marseilles and Bombay, for which alternative tenders will be called for the following periods of transit, *viz.*, in—

(1) 336 hours;
(2) 324 hours;
(3) 312 hours;
(4) 300 hours.

Such times will be inclusive of the time occupied by the

passage through the Suez Canal, all stoppages at intermediate ports and all time, if any, occupied in the transfer of the mails from one ship to another. They will not include the time taken in the carriage of the mails between London and Marseilles which will be approximately 25 hours. Under the existing contract a maximum period of 270 hours is prescribed in either direction for the conveyance of the mails by the sea-route between Brindisi and Bombay, but it is not now proposed to reopen this route. Parties may tender for the conveyance of the Indian mails separately from those for China or Australia.

3. According to pre-war timings the mails were due to arrive in Bombay on Friday morning and to depart on Saturday. This arrangement was liable to cause a rush and confusion in Bombay during the interval between the arrival of one mail steamer and the departure of the next. The hotels in Bombay tended to be overcrowded on Friday afternoon and night and travellers were put to considerable inconvenience. It has been suggested that a better arrangement would be for the outgoing mail to leave Bombay on Friday and the incoming mail to arrive on Saturday. It is anticipated that this arrangement would not prove inconvenient to the shipping companies since it would avoid the clashing of the incoming and outgoing mails at Marseilles, where accommodation for two steamers at the same time is not available at the P. and O. wharf, and at Bombay would relieve them of the pressure under which they were required to work under the old arrangement on Fridays and Saturdays. It would suit the Indian Post Office since if the outgoing mail at Bombay were cleared on Friday, the staff would be ready to deal with the incoming mail on Saturday morning. From the point of view of the Railways, it would mean economy in the use of the three postal special trains, which would arrive at the Ballard Pier on Friday and be ready to leave again on Saturday. It is believed also that the travelling public would appreciate the change. In these circumstances, the Government of India would be glad if, after consulting the Chamber of Commerce and such other representative bodies as are likely to be interested in the question, the Government of Bombay would be so good as to favour them with an expression of their opinion on this point. They would also be glad to consider any other points in connection with the new contract which the Government of Bombay may desire to raise.

No. 26-100.

Chamber of Commerce,
Bombay, 6th January 1922.

The Under Secretary to the Government,
Revenue Department, Bombay.

Sir,—I am directed to acknowledge receipt of your letter, No. 3324—D., dated the 16th December 1921, and its accompaniment, on the subject of the proposed change in the timings of the arrival and departure of the Foreign Mails.

2. In reply I am to state that my Committee approve the suggestion that arrangements should be made for the outgoing mail steamer to leave Bombay on Friday, instead of Saturday, as has been the case hitherto, and for the incoming mail steamer to arrive on Saturday, instead of Friday.

3. At the same time I am to say that my Committee recognize that there are other ports than Bombay to be considered in arriving at a decision in the matter and that, although, so far as the interests of the mercantile community in Bombay and other ports of India are concerned, the proposed alteration in the timings would certainly be an advantage they consider that His Majesty's Postmaster-General in London and the Shipping Companies concerned are alone in a position to view the whole question from a proper perspective.—I have etc.,

C. B. SAYER,
Secretary.

No. 2 I-3

Karachi Chamber of Commerce,
Karachi, 15th February 1922.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—In the excerpts from the Proceedings of the Committee of the Bombay Chamber of Commerce for December 1921, kindly forwarded by you to this Chamber, my Committee notes the following:—

"At the same time the Committee recognised that there were other ports than Bombay to be considered in arriving at a decision in the matter, and that, although so far as the interests of the mercantile community in Bombay and other ports of India concerned the proposed alteration in the timings would certainly be an advan-

tage, they considered that His Majesty's Postmaster General in London and the Shipping Companies were alone in a position to view the whole question from a proper perspective."

My Committee desires me to forward to you herewith a copy of its letter to Government on this subject, from which your Committee will immediately gather that, far from being an advantage to this port, the proposed changes are regarded quite in a reverse light, not only in respect of the general terms of the mail contract, but also in regard to the suggested days of arrival and departure of the mail from Bombay.

My Committee desires me to point out the above facts only with a view to the prevention of any similar occurrence in future, knowing full well that your Committee has no deliberate desire to commit itself to statements affecting the interests of other ports, without previous consultation.—Yours faithfully,

ALAN DUGUID
Secretary.

Copy of a letter No. 2-I-I dated the 5th January 1922 from the Secretary, Karachi Chamber of Commerce to the Under Secretary to the Government of Bombay, Revenue Department, Bombay.

Proposed change in the timings of the arrival and departure of the Foreign Mails.

Sir,—I am directed to acknowledge receipt of your No. 3324-D, dated the 16th December 1921, and in reply to state that this Chamber desires to protest most strongly against the proposals on the above subject contained in the Government of India, Public Works Department's letter No. 923-P.W., dated November 14th, 1921.

During the war the mails became subject to irregularities and delays of a most serious nature, and although much time has since elapsed no real effort appears to have been made to re-establish them on the basis of their comparative efficiency in pre-war times.

In the opinion of my Committee the present proposals, far from being an attempt to rectify the unsatisfactory state of affairs at present prevailing, are retrograde in

the extreme, and quite unworthy of serious consideration in modern times.

Apparently it is Government's intention to invite tenders for a mail service, which instead of showing an improvement upon the pre-war timings, will involve a reversion to the timings of many years ago. The proposal is the more surprising when it is borne in mind that a bi-weekly service from Europe to India was under serious consideration as long ago as 1913.

As far as Karachi is concerned the proposed new timings will bring inconvenience to the business community in that the incoming mail will arrive one day later than at present, while the outgoing mail will have to be cleared a full day earlier.

My Committee is also of opinion that Government in this matter of the Mail Contract is inclined to give too much consideration to the comfort of the travelling public and to accommodation in Bombay hotels. The primary object is the rapid and efficient carriage of the mails, and upon this should Government concentrate in framing details of the contract, rather than upon the quite secondary matter of the comfort of passengers.—I have etc.

No. 291-52.

Chamber of Commerce,
Bombay, 25th February 1922.

The Secretary, Chamber of Commerce,
Karachi.

Dear Sir,—I am directed to acknowledge receipt of your letter, No. 2. I 3. dated the 15th February 1922, and its accompaniment, on the subject of the proposed change in the timings of the arrival and departure of the foreign mail.

2. In reply I am to express regret that my Committee's views, in the above connection, were inadvertently expressed in such a manner as to suggest that they desired in any way to commit themselves to any statement affecting the interests of other ports without previous consultation and to assure you that such was most certainly not their intention.—Yours faithfully,

C. B. SAYER,
Secretary.

No. 2-I-9.

Chamber of Commerce,
Karachi, 8th March 1922.

The Secretary, Chamber of Commerce,
Bombay.

Proposed change in the timings of the arrival and departure of the Foreign Mails.

Dear Sir,—I am directed to acknowledge with thanks, receipt of your letter, dated the 25th February 1922, on the above subject.—Yours faithfully,

ALAN DUGUID,
Secretary.

APPENDIX N.-3.

DELAYS IN THE DELIVERY OF TELEGRAMS IN BOMBAY.

New Zealand Insurance Co., Ltd.,
7-10, Elphinstone Circle,
Bombay, 10th March, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—In view of repeated strikes and other labour troubles I would ask the Chamber to consider the following proposal :—

The Chamber of Commerce to ask the Telegraph Department to build a number of small boxes, the inside measurement of which to be say 5½ inches long by 4 inches wide and 3 inches deep (a little wider and longer than the envelope now used to enclose telegraph messages). The box being three inches deep could accommodate a fair number of messages.

Firms to be asked to send their peons every hour, say, or half-hour in the case of offices adjacent to the Telegraph Office, to clear their boxes. In this way the delivery of telegrams should be quicker, safer and more regular.

In a wall twenty feet by five high some hundreds of boxes could be built, say six hundred, and each box could be marked with the Registered Code address. The fee for each box need only be a nominal one in view of the fact that the Telegraph Department would be relieved of a number of messengers.

It could be stipulated that the boxes be only used between certain hours, say nine o'clock and six, or all the time, according to the desire of the firm concerned.—Yours faithfully,

M. ST. PAUL,
Manager.

D/O No. 635-109.

Chamber of Commerce,
Bombay, 22nd March 1921.

P. N. Mitra, Esq.,
Central Telegraph Office, Bombay.

Dear Mr. Mitra,—I enclose a copy of a letter received from a member making certain suggestions with regard to the working of your Department and before laying the proposals before my Committee for their instructions, I should be a very grateful if you could let me have your views on the same, particularly with regard to the feasibility of the measures suggested. The idea has probably been thought of several times before in which case perhaps you would not mind giving me briefly the objections to it.

If you could let me have a note by to-morrow morning early I might then be able to lay the letter before my Committee at their meeting in the afternoon.—Yours sincerely,

C. B. SAYER,
Secretary.

D/O No. 115.

Indian Telegraph Department.
Central Telegraph Office,
Bombay, 23rd March, 1921.

Dear Sir,—Yours of the 22nd. I am sorry I could not send you the reply earlier.

I enclose herewith a note showing the procedure in vogue in this Office from which you will see that the present arrangements are better than what is proposed in the note accompanying your letter.—Yours sincerely,

P. N. MITRA.

Posts and Telegraphs.

The system that obtains in this Department and has been in force for many years is briefly described below :—

A firm wishing to receive its telegrams at the window of the Telegraph Office, pays a nominal fee of Rs. 12

per annum and purchases a window delivery ticket. It then deputes a messenger wearing a badge to identify the party to receive the party's telegrams. The messengers of Window-delivery ticket-holders are provided separate waiting accommodation in the delivery Office.

As soon as a telegram for a window-delivery ticket holder is got ready for delivery and is received, in the delivery Office, the clerk, calls out the name of the firm and if the messenger of the firm is present and answers the call, the telegram is delivered to him at once. If he is not present, the telegram is retained in the Telegraph Office for 15 minutes and if in this interval, the messenger does not turn up, the telegram is sent out through one of the messengers of the Telegraph Office and delivered. Messages are in this way ordinarily delivered to the messengers of the Window-ticket-holders in the Office between 6 and 23 hours. But there is no objection to firms or others, arranging to receive their telegrams at the window, at all times. The advantages of the Departmental arrangement may be summarised as follows :—

1. No separate or extra fees are levied for the several addresses of the firms which are all treated as one for purposes of the Window-delivery.

2. Provision is made for the possible absence of the firm's messengers and also to guard against undue detention and delay of telegrams, in the event of the firm's peon being absent altogether or for a long time.

The Bombay Central Telegraph Office has at present 76 firms and individuals holding Window-delivery tickets and if more firms and individuals would purchase Window-delivery tickets, it would distinctly be advantageous to them, as the system, in addition to providing for the secrecy of the telegrams by their delivery to the firms' own accredited representatives, also provides against undue delay in the delivery of such telegrams.

No. 756-109.

Chamber of Commerce,
Bombay, 11th April 1922.

The Manager,
New Zealand Insurance Co, Ltd.,
7-10, Elphinstone Circle, Bombay.

Dear Sir,—I am directed to acknowledge receipt of your letter, No. 1, dated the 10th March 1921, outlining a proposal designed to improve the telegram delivery service.

In reply I am to state that the proposal in question has received the careful consideration of my Committee who have also been in communication with the Superintendent of the Central Telegraph Office in regard to the matter.

In a letter which they have received from the Department concerned, my Committee have been furnished with a memorandum outlining the nature of certain facilities provided by the Central Telegraph Office which would not appear, however, to be generally known to the public.

After comparing carefully the system at present in force with the one outlined in your letter my Committee do not consider that any good case has been made out for a change. As, however, you may not be aware of the facilities which are at present available on application, I am to forward herewith for your information a copy of the memorandum above referred to.—Yours faithfully,

C. B. SAYER,
Secretary.

The Mercantile Bank of India, Limited,
Bombay, 25th October 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—I beg to bring to your notice the extraordinary delay in the transmission and delivery of Inland telegrams especially between Calcutta and Bombay. Yesterday we received the enclosed message which was despatched from Calcutta at 11-15 a.m., but not received in Bombay until 3-22 p.m., that is that it took over 4 hours for the message to come over the wires. Although received by the Telegraph Office at 3-22 p.m., it was not delivered to our peon (whose sole duty is to wait for messages at the Telegraph Office) until 4-55 p.m., a delay of more than an hour and a half. This is by no means an extreme example of the delays that have recently occurred and we shall be glad if the Chamber can see its way to make such representations as may be considered advisable as I am given to understand we are not alone in having grounds for complaint.—Yours faithfully,

J. B. CRICHTON,
Manager.

Mercantile Bank Buildings, Esplanade Road,
Bombay, 25th October 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—We should be much obliged if you would ask your Committee if they would make representations to the Director General, Posts and Telegraphs regarding the very great delay in delivery of wires. During our daily round we see a considerable number of Bombay Merchants and Bankers and the complaint is general. Taking our own experience we find that the delay is not so much in the actual transmission of the telegrams as in obtaining delivery of it in Bombay.

As an instance on Saturday last our Telegram from Calcutta was received by the Telegraph Office in Bombay at 10-50 a.m. and handed to our sepoy at 2-30 p.m.

Our sepoy calls at the Telegraph Office every half an hour to enquire if there are any telegrams for us.

We think that our request would be backed up by all business people in Bombay.—Yours faithfully.

SYMONS BARLOW & CO.

No. 2021-109.

Chamber of Commerce,
Bombay, 8th November 1921.

The Superintendent,
Central Telegraph Office, Bombay.

Dear Sir,—I am directed to state that representations have been made to my Committee for some time past in connection with the delay in the delivery of telegrams after the receipt of the messages by your office. The delay occurs not only in the case of telegrams delivered by your own peons but also in the cases where mercantile firms have made arrangements for their own peons to remain always on the premises in order to take delivery of telegrams immediately they are received by your office. Instances have occurred recently in which the telegrams have not been handed to the waiting peons for over four hours after the time of arrival noted on the telegram.

2. The position as above described is a serious one and I am to request that my Committee may be advised at a very early date as to the reason for the undue delay. They will also be glad if you will be good enough to explain the procedure adopted by your office in such matters and also what steps, if any, you propose to take with a view to remedy the existing situation which is admittedly unsatisfactory to all concerned and, in the case of members of this Chamber, is a source of very considerable and serious inconvenience.—Yours faithfully,

C. B. SAYER,
Secretary.

No. 2034-109.

Chamber of Commerce,
Bombay, 5th November, 1921.

The Manager,
The Mercantile Bank of India Ld., Bombay.

Dear Sir,-I am directed to acknowledge receipt of your letter of the 25th ultimo with reference to delay in the transmission and delivery of inland telegrams and in reply, to state that my Committee have addressed a representation to the authorities concerned upon the subject.—Yours faithfully,

C. B. SAYER,
Secretary.

Similar letter to Messrs. Symons Barlow & Co.

No. 24.

Central Telegraph Office,
Bombay, 11 November 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—With reference to your No. 2012-109 of 1921 dated the 8th instant, I have the honor to say that the delays in addressing telegrams in excess of one hour have recently occurred owing to excessive absentees, caused by malaria, in the ranks of Clerks and Peons in this office.

2. The matter is receiving my anxious attention and temporary establishment is being engaged to reduce

delays to a minimun especially during the business hours.

3. Delays in delivery also have been due to prolonged attacks of malaria amongst the Peons but arrangements have been made to engage additional staff, and some delivery establishment has been brought from local Sub-Offices to supplement the depleted staff at the Central Office.

4. I shall be glad to see you and make clear the existing arrangements. Would it be convenient for me to see you at your office between noon and 1 P. M. on Monday the 14th instant?—I have etc.,

W. D'ROZARIO,
Superintendent in Charge.

No. 2173-109.

Chamber of Commerce,
Bombay, 3rd December 1921.

Messrs. Symons Barlow & Co.,
Bombay.

Dear Sirs,—I am directed to refer to your lettter dated the 25th October 1921 in connection with the delay in the transmission and delivery of Inland telegrams and, in that connection, to forward for your information the enclosed copy of a letter which my committee have received from the Superintendent-in-Charge, Central Telegraph Office, Bombay. The matter has also been represented to the Superintendent at an interview which the undersigned had with him on the 14th ultimo.

In the circumstances my Committee are satisfied that the matter is receiving the earnest consideration of the authorities and they do not consider that they can take any further action in the matter, particularly as they understand that a considerable improvement in the existing service has been effected during the past few weeks.—Yours faithfully,

C. B. SAYER,
Secretary.

Similar letter to the Mercantile Bank of India, Ltd.

APPENDIX N-4.

CABLE EXPRESS RATES.

No. 924-A.C.

Associated Chambers of Commerce,
of India and Ceylon, Royal Exchange,
Calcutta, 18th July 1921.

The Secretary, Chamber of Commerce,
Bombay.

Cable Communication.

Dear Sir,—I am directed to hand you, for information and for such remarks as your Chamber may wish to offer, copies of the marginally noted letters in this connection.—Yours faithfully,

(1) Letter No. 568-A.C. dated 9th April 1921 from the Associated Chambers to the Government of India, Department of Commerce.

(2) Letter No. 1448 S. dated 11th July 1921 from the Government of India, Department of Commerce, to the Associated Chambers (with enclosures).

H. M. HAYWOOD,
Secretary.

Letter No. 568-A.C. dated 9th April 1921 from the Associated Chambers of Commerce of India and Ceylon to the Secretary to the Government of India, Department of Commerce.

In continuation of my letter No. 325-A.C. dated the 4th February 1921 I am now directed to submit herewith a copy of the report of the discussion in connection with the resolution on the question of cable communications between India and the United Kingdom, which was adopted at the annual general meeting of the Associated Chambers of Commerce of India and Ceylon, held in Calcutta on the 24th and 25th January 1921.

Letter No. 1448-S. dated 11th July 1921 from the Government of India, Department of Commerce, to the Associated Chambers of Commerce of India and Ceylon.

I am directed to refer to your letter No. 568-A.C. dated April 9th, 1921, in which you transmit for the information of the Government of India a resolution on the question of cable communications, which was adopted at the annual general meeting of the Associated Chambers of Commerce, India and Ceylon, held in Calcutta on January 25th, 1921. In that resolution the Association expressed a wish that early steps should be taken to abolish the express rates charged on cables. It appears

from the copy of the proceedings forwarded by you that the grounds on which the system of express messages at triple the rates was objected to by the meeting were firstly, that they would tend to the gradual shelving of other traffic and would lead to the elimination of ordinary messages, and secondly, that the extra charge made for express messages was burdensome.

2. In reply, I am to state that urgent messages at triple rates were introduced in order to enable commercial firms to obtain the priority on the cables which they needed during the period of telegraphic congestion following the war, and which they were prepared to pay for. Such messages are permitted on the cables from Ceylon, and there is a risk that if they were discontinued in India, Indian firms would be tempted to forward their telegrams to their agents at Colombo to be repeated thence as urgent private messages. If this class of foreign telegrams is abandoned, the commercial public in India will be placed at the disadvantage that urgent triple rate telegrams transitting India from west to east and *vice versa* would take precedence over other classes of telegrams to or from India. Another result would be that since the cable companies and other telegraph administrations have adopted the urgent triple rate class, telegrams inwards to India, classed as urgent, would travel more quickly than telegrams outwards from India.

3. The order of priority of foreign telegrams, was prescribed in the International Telegraph Convention, is as follows :—

(1) Clear-the-line
(2) Government priority A
(3) Urgent private
(4) State
(5) Ordinary private

I am to attach a statement showing the percentages of the total number of messages and words in the different classes of foreign telegrams dealt with during the period May 1920 to March 1921, *via* Bombay, Madras and Karachi. It will be seen that the commercial community are making considerable use of the class of urgent private telegrams, and it is thought that telegraphic traffic over the cables generally is not yet being disposed of with sufficient expedition to justify the immediate withdrawal of this class. As soon as the normal traffic is accelerated, it is expected that the public will resort less freely to the urgent class and that the percentage of ordinary private telegrams will increase. In the meantime, the Government of India are of opinion that in the interests of commerce the urgent foreign telegrams at express rates should not yet be abolished.

Percentages of the total number and words in the different classes of Foreign telegrams dealt during the period May 1920 to March 1921 via Bombay, Madras and Karachi.

Class of Messages.	Sent via Bombay Percentage.		Received via Bombay Percentage.		Sent via Madras Percentage.		Received via Madras Percentage.		Sent via Karachi Percentage		Received via Karachi Percentage.	
	No.	Words.	No.	Words.	No.	Words.	No.	Words.	No.	Words.	No.	Words.
Clear the line ...	.11	1.15	.15	.92	.005	.03	.007	.04	.11	.58	.20	.69
Government Priority A.	.37	2 24	.49	1·78	.02	.14	.01	.13	.40	1.69	.85	3.67
Urgent Private ...	10.63	20.14	11.35	19.94	19.81	17.07	21.10	18.38	2.74	1.59	1.23	.80
State	6.85	14.72	5.68	10.73	1.57	4.45	1.52	5.32	18.25	34.90	21.00	37.04
Ordinary Private..	82.04	61.75	82.33	66.63	78.60	78.31	77.31	76.13	78.50	61.24	76.72	57.80
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

No. 1535-226.

Chamber of Commerce,
Bombay, 4th August 1921.

The Secretary,
The Associated Chambers of Commerce
of India and Ceylon, Royal Exchange,
Calcutta.

Dear Sir,—I am directed to acknowledge receipt of your letter, No. 924-A.C., of the 18th ultimo. and in reply to state that my Committee are of opinion that the triple express rate charged on cables is a very serious tax on business, but they are not prepared to recommend its abolition until such time as the various cable routes are in a position to cope without undue delay with all the ordinary traffic offering.

My Committee would urge, however, that the cable routes should be brought to a pre-war stage of efficiency as soon as possible and that the express rate should then be abolished.—Yours faithfully,

H. ROYAL,
for Secretary.

APPENDIX N.-5

REGISTRATION OF ARTICLES AT THE GENERAL POST OFFICE.

The Yokohama Specie Bank, Limited,
Bombay, 14th July, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—It is notified by the Post Office that the closing hour for registration of articles is 5 o'clock. We find that even if our peon is at the post office before that time but cannot reach the window owing to rush of people near it, the articles are refused to be registered. The closing hour for banks is 4 o'clock. If a customer has entered into the bank just before the hour, banks attend to his business even if it takes later than that hour to dispose of the business. The door of the office is closed behind the customer after he has entered the office and not the window in front of him where he

transacts his business. A post office clerk sent us a memo yesterday to this effect:—"Your man brought in 12 articles to be registered at 4-50 p. m. I am afraid if you do not send your articles earlier in future they will have to be returned." If our peon is at the post office before the closing time with the articles for registration we cannot understand how they can be refused to be registered. The closing hour for registration before the postal strike was 6 o'clock and it was made 5 o'clock owing to the strike. This is bad enough and we regret that it should be made worse by refusing registration under other excuses. We beg to request you to place this matter before the Committee of the Chamber to enable it to take action in the matter and make representations to the Postal authorities.—Yours faithfully,

Sd. ILLEGIBLE,
Manager.

No. 1647-221.

Chamber of Commerce,
Bombay, 30th August 1921.

The Members of the
Bombay Chamber of Commerce.

Gentlemen,—I am directed to state that several complaints have recently been received from members in connection with the refusal of the Registration Department of the General Post Office to accept for registration articles submitted to them for that purpose before the closing hour for registration.

The matter has been represented to the Postmaster-General and, as a result of their enquiries, my Committee understand that that Officer is quite prepared to do everything possible to help and that he is, further, endeavouring to adopt at the General Post Office an arrangement somewhat similar to that followed by the banks, namely, to close the entrance doors of the Registration Department at the usual hour but to attend to all those who have entered the Department before that hour. This system, my Committee understand, will be introduced as soon as the necessary barriers can be procured and erected.

At the same time my Committee understand that it is a common occurrence for peons to arrive at the Post Office some few minutes before the closing hour with baskets containing over a hundred letters for registration with the result that the work of the Department, which should be

spread over eight hours in the day, very often has to be crowded into less than one hour in the evening. Such a practice upon the part of mercantile firms is bound to lead to consequences similar to those of which complaint is made as it is impossible to expect any staff to do 8 hours' work in a few minutes and if the situation is to be relieved it is essential that all concerned should assist the Postmaster General in their turn. Such assistance can best be rendered by firms arranging for letters to be sent for registration as and when they are ready instead of waiting until the end of the day.

My Committee also suggest that firms who are in the habit of sending many letters for registration should arrange for the receipt forms to be filled in before their arrival at the Post Office as it is clearly easier and quicker for the postal staff to check the entries in the form than to fill in the whole form themselves.

My Committee feel confident that if only members will endeavour to carry out their suggestions in the above connection, and will impress upon their staffs the necessity for careful adherence to the procedure laid down, the system shortly to be introduced by the Postmaster General will result in the more expeditious and satisfactory handling and despatch of all articles tendered for registration.—I am, etc.,

C. B. SAYER,
Secretary.

APPENDIX N-6.

HOURS OF BUSINESS AT THE G. P. O. BOMBAY.

No. M. D. 81.

Postmaster General's Office,
Wadhwan Camp, 7th Dec. 1921.

The Secretary, Chamber of Commerce,
Fort, Bombay.

Sir,—I have the honour to forward herewith a copy of an extract from the Postal Notice dated the 15th September 1921, issued by the Director-General of Posts and Telegraphs, Calcutta, and to say that the hours of business in Bombay have already been revised recently in accordance with the local requirements and are found to have been working satisfactorily.

2. I request, however, that you will kindly let me know whether you are satisfied with the hours as recently revised.—I have etc.,

H. S. SAMS,
Postmaster-General.

Extract from Postal Notice dated 15th September 1921, issued by the Director-General of Posts & Telegraphs, Calcutta.

I. Revised hours of postal business.

With effect from the 1st October 1921, the following changes will be made in the general business hours of post offices as notified in clause 1 of the POST AND TELEGRAPH GUIDE.—

CLASS OF BUSINESS.	REVISED HOURS.
Money orders and savings bank business (including sale and payment of British Postal Orders).	10 a. m. to 3 p. m. on ordinary week days and 10 a. m. to 1 p. m. on Saturdays.
Other classes of business (except references and enquiries, issue and payment of telegraphic money orders and receipt of telegrams for despatch).	Upto 3 p. m. on Saturdays except in the case of articles of the letter mail for registration and insurance which will be accepted up to 5 p. m. on payment of the prescribed late fee.

2. Ordinary telegraphic money orders will not be issued or paid and ordinary telegrams will not be accepted for despatch on Sundays and Post Office Holidays.

No. 2254-285.

Chamber of Commerce,
Bombay, 16th December, 1921.

The Postmaster-General, Bombay Circle, Bombay.

Sir,—I am directed to ackuowledge receipt of your letter, No. M. D.-81, dated the 7th December 1921, and its accompaniment and in reply to state that, in the opinion of my Committee, the revised hours of business in Bombay are suitable.—I have etc.,

C. B. SAYER,
Secretary.

APPENDIX N-7.

SALE OF BRITISH POSTAL ORDERS AT TOWN SUB-OFFICES IN BOMBAY.

Allahabad Bank Building, Apollo Street,
Bombay, 6th May 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—We beg to inform you that on the 27th ulto. we were unable to purchase a Postal Order for £15 at the Apollo Street Post Office, and were referred to the General Post Office. We think this is a matter you may be glad to know of as you may have possibly received other complaints of this nature.—Yours faithfully,

A. F. FERGUSON & Co.

No. 1042-171.

Chamber of Commerce,
Bombay, 19th May 1921.

The Postmaster General,
Bombay.

Sir,—I have the honour to inform you that the attention of the Committee of the Chamber has been drawn by a member to the fact that they were unable recently to purchase British Postal Orders at the Apollo Street Post Office.

My Committee are aware that owing to the run on the Post Office last year when exchange was high, the stocks of these Orders were exhausted, and apparently they have not been replenished since at the Branch Post Offices.

In this connection I am desired to state that, in the opinion of my Committee, it is important to the mercantile community that Postal Orders should be freely available and they trust, therefore, that arrangements are being made to have an ample supply at an early date.—I have etc.,

H. ROYAL,
for Secretary.

No. 51083.

Bombay, 23rd May 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I have the honour to acknowledge the receipt of your letter No. 1042-171 of 1921 dated 19th May 1921

and to say that an enquiry will be made in the matter at once, and the result will be communicated to you in due course.—I have etc.,

Sd. ILLEGIBLE,
for Postmaster-General.

No. 51083

Bombay, 10th June 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—In continuation of my letter No. 51083 dated the 23rd May 1921, I have to say that I am obliged to you for bringing to my notice that a member of your Chamber was unable to obtain British Postal Orders at the Apollo Street Post Office, I have now taken steps to ensure that sufficient supply of British Postal Orders is kept at the Town Sub-Offices in Bombay.—I have etc.,

Sd. ILLEGIBLE,
for Postmaster-General.

No. 1203-171.

Chamber of Commerce,
Bombay, 14th June 1921.

Messrs. A. F. Ferguson & Co.,
Allahabad Bank Buildings, Apollo Street.

Dear Sirs,—With reference to your letter dated 6th May 1921, regarding your inability to obtain British Postal Orders at the Apollo Street Post Office, I beg to attach hereto a copy of the reply received to this Chamber's representation, from which you will see that the deficiency has been remedied.—Yours faithfully,

C. B. SAYER,
Secretary.

APPENDIX N-8.

VALUE PAYABLE POST BETWEEN INDIA AND MESOPOTAMIA.

British Chamber of Commerce,
Baghdad, 1st August, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Value Payable Post between India and Mesopotamia.

Sir,—I am directed to send you the enclosed copies of

correspondence with His Excellency the Minister of Commerce and His Excellency the High Commissioner for Mesopotamia regarding the abolition of the Value Payable Post System between India and Mesopotamia.

I am further directed to request the intervention of your Chamber with the Government of India in support of the views of my Chamber that the withdrawal of this system is a retrograde step and one which will have a bad effect on trade between the two countries.—I have etc.,

R. O. PRITCHARD,
Secretary.

No. M.C. 1143.

Ministry of Commerce,
Baghdad, 27th June 1921.

The Secretary, Chamber of Commerce, Basra.
The British Chamber of Commerce, Basra.
The British Chamber of Commerce, Baghdad.

Memorandum.—It has been proposed that in order to economize staff the value payable post service with India which has hitherto existed should be withdrawn.

I should be obliged by an expression of the views of your Chamber on this proposal at as early a date as is convenient.

Sd.
for Minister of Commerce.

British Chamber of Commerce,
Baghdad, 1st July 1921.

The Minister of Commerce,
Baghdad.

Sir,—I have the honor to acknowledge receipt of your letter No. M.C. 1143 dated 27th ultimo regarding the abolition of the value payable post service with India. The letter will be read and the matter discussed at tomorrow's Meeting of the Chamber and their decision will be duly communicated to you.—I have etc.,

R. O. PRITCHARD,
Secretary.

British Chamber of Commerce,
Baghdad, 5th July 1921.

The Minister of Commerce,
Baghdad.

Sir,—Your memorandum No. 1143 of 27th June was considered at a Meeting of the Committee of my Chamber

held on the 2nd inst., and I am directed to write to you to the effect that the Chamber strongly deprecates the withdrawal of the Value Payable Post Service with India. It was pointed out that this system, which has been in force for many years, if of great benefit both to merchants and to private individuals, and that its withdrawal would be a retrograde step. It was further pointed out that the system has now been introduced into England and either now applies or will shortly apply to despatches from England to Mesopotamia and that, therefore, the Mesopotamian Post Office, instead of contemplating the withdrawal of the system, should be so organised as to handle the system on a larger scale than heretofore.—I have etc.,

R. O. PRITCHARD,
Secretary.

British Chamber of Commerce,
Baghdad, 30th July, 1921.

His Excellency,
The High Commissioner for Mesopotamia,
Baghdad.

Excellency,—I have the honor to bring to your notice the following :—

On the 27th June 1921 the Minister of Commerce addressed my Chamber requesting an expression of its views on the proposed withdrawal of the Value Payable Post service with India.

To this the Secretary replied on the 5th July to the effect that the Chamber strongly deprecates the withdrawal of the system. Copies of the correspondence are enclosed.

It now appears from a notice in the Baghdad Times of the 25th July, that the Value Payable system, which has been in force with India for many years, is to be abolished with effect from the 1st August.

There has not been a further opportunity of discussing this question at a Meeting of the Chamber, but I am fully informed of the views of the Members and venture therefore to express them to your Excellency in anticipation of my Chamber's formal agreement.

The Value Payable Post system as existing between India and Mesopotamia has been a great boon to the whole community. From a business point of view it cannot be pleaded that its withdrawal would affect the

trade of the larger firms who do not use the system for the importation of merchandise. The withdrawal, however, would seriously inconvenience the whole European community, who avail themselves largely of the facility it affords for obtaining all sorts of supplies, stores, clothing etc. which either cannot be had in Baghdad or which can be bought cheaper in India. It is the smaller native trader who will be seriously affected from a business point of view. Shopkeepers and others doing business with India in a small way find the Value Payable system a most convenient one. It enables them to order small quantities of seasonal goods with the certainty of their arriving promptly. This applies particularly to chemists and dealers in Photographic materials etc. in which there is rapid deterioration.

I would bring to the notice of your Excellency that cheap German goods are now appearing in this market, and that it is to these small native shopkeepers and dealers that such goods particularly appeal. The withdrawal of the Value Payable Post will act as a direct encouragement to small traders to order their supplies from Germany, and from this point of view alone, it is desirable in the interests of British trade, not only that the system be continued with India, but also that it be extended to despatches from the United Kingdom.

May I ask your kind intervention with a view to the reconsideration of this important question?—I have etc.,

T. D. CREE,
Chairman.

(*" Baghdad Times " No. 1097 dated 25th July, 1921.*)

POSTAL NOTICE.

With effect from 1st August 1921, the system of receiving and despatching value payable articles through the post to India and vice versa will be discontinued.

No. 1635-233.

Chamber of Commerce,
Bombay, 27th August 1921.

The Secretary, British Chamber of Commerce,
Baghdad.

Dear Sir,—I am directed to acknowledge receipt of your letter of the 1st instant, and its accompaniments,

regarding the abolition of the Value Payable Post Service betwen India and Mesopotamia and requesting the support of this Chamber to the views of your Chamber thereon.

2. In reply I am to state that my Committee are in full accord with the views of your Chamber as set forth in your letter to the Ministry of Commerce. dated 5th July 1921, and the further representation addressed by your Chairman to His Excellency the High Commissioner for Mesopotamia on the 30th idem.

3. I am accordingly to state that my Committee have addressed the Government of India in the Department of Commerce in support of your representation and to forward for your information a copy of my letter, No. 1625-233 dated 27th instant to the Department in question.—Yours faithfully,

C. B. SAYER,
Secretary.

No. 1625-233.

Chamber of Commerce,
Bombay, 27th August 1921.

The Secretary to the Government of India,
Department of Commerce, Simla.

Sir,—I am directed to state, for the information of Government, that my Committee have been addressed by the British Chamber, Baghdad, with reference to a proposal to withdraw the Value Payable Post Service between India and Mesopotamia, and that my Committee are further informed, from a notice which appeared in the issue of the Baghdad Times of the 25th July 1921, that the service in question has in fact, been abolished with effect from the 1st August 1921.

2. My Committee are further advised that the commercial community in Baghdad were consulted in regard to the proposal in question by a reference from the Ministry of Commerce, Baghdad, dated the 27th June 1921, and that their strong disapproval of the proposal was communicated to the Department concerned in a letter from the Secretary of the British Chamber of Commerce, dated the 5th ultimo.

3. Having regard to the foregoing considerations I am directed to forward, for the information of the

Government of India in your Department, a copy of a further representation on the subject, which has been addressed by the Chairman of the Baghdad Chamber to His Excellency the High Commissioner for Mesopotamia and in connection therewith to state that my Committee are in full accord with the views therein expressed.

4. Accordingly I am to submit, for the consideration of Government, the desirability of such action being taken as may lead to the re-introduction of the Value Payable Post Service between India and Mesopotamia at an early date and, in that connection, to request that, Government may be moved to afford every consideration to the views of the commercial community concerned and set forth in the accompaniment to this letter.—I have etc.,

C. B. SAYER,
Secretary.

No. 273-P.W.

Government of India,
Public Works Department,
Simla, the 3rd September 1921.

The Secretary, Chamber of Commerce,
Bombay,

Sir,—I am directed to acknowledge the receipt of your letter No. 1625/233., dated the 27th August 1921. A reply will follow.—I have etc.,

C. G. HAMILTON,
Assistant Secretary to the Government of India.

No. 616-P.W.

Government of India,
Public Works Department,
Simla, the 1st October 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—In continuation of the letter from this Department No. 273-P.W., dated the 3rd September 1921, I am directed to say that the value-payable service between

India and Mesopotamia was discontinued on 1st August last at the request of the Director, Postal Services Baghdad, for reasons which have not been communicated to this Government. The views of your Chamber on the subject are being brought to the notice of High Commissioner for Mesopotamia.—I have etc.,

R. EWBANK,
Deputy Secretary to the Government of India.

No. 2234-233.

Chamber of Commerce,
Bombay, 13th December 1921.

The Deputy Secretary to the Government of India,
Public Works Department, Delhi.

Sir,—I am directed to invite a reference to your letter, No. 616-P.W., dated the 1st October 1921, and in that connection to enquire whether the views of this Chamber on the subject of the abolition of the value-payable service between India and Mesopotamia have yet been communicated to the High Commissioner for Mesopotamia and, if so, whether my Committee may be advised of the result of their representation.—I have etc.,

C. B. SAYER,
Secretary.

No. 1211-P.W.

Government of India,
Public Works Department,
Delhi, the 20th December, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—With reference to your letter No. 2234/233, dated the 13th December 1921, I am directed to say that the views of your Chamber on the subject of the abolition of the value-payable service between India and Iraq were communicated to the High Commissioner for Iraq in the letter from this Department, No. 614-P.W., dated the 1st October 1921 and he was requested to commend them to the attention of the local administration. No reply has yet been received from him.—I have etc.,

R. EWBANK,
Deputy Secretary to the Government of India.

APPENDIX N-9.

BILL FURTHER TO AMEND THE INDIAN POST OFFICE ACT, 1898.

Bombay, 27th October, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—Among the Bills passed by the Council of State during the recent meetings of the present Sessions was a Bill further to amend the Indian Post Office Act, 1898. I enclose the Bill and would draw your attention to the statement of objects and reasons.

It will be seen that it is proposed to modify the present procedure with regard to Foreign Mail letter covers whose contents are suspected to be liable to duty. As is known to you the present procedure in Bombay is for such a cover to be detained in the Post Office and a notice sent to the addressee to attend its opening. In future these covers will be handed over to the Customs Authorities for examination after which they will be re-sealed and forwarded as promptly as possible to the addressees. Apparently there was no particular reason for any alteration in the present procedure to be made at sea-port towns where there are Customs but at up-country towns where there may be no means of appraisement of dutiable articles the Government is satisfied that a considerable loss of Revenue is experienced. I would call your attention to the Hon'ble Mr. H. A. F. Lindsay's speech in introducing this Bill as reported in Vol. II No. 8 of the Council of State debates pages 448 and 449.—Yours faithfully,

A. H. FROOM.

An ACT

Further to amend the Indian Post Office Act, 1898.

VI of 1828 WHEREAS it is expedient further to amend the Indian Post Office Act, 1898; It is hereby enacted as follows:—

Short title. 1. This Act may be called the Indian Post Office (Amendment) Act, 1922.

2. In section 24 of the Indian Post Office Act, 1898 (hereinafter referred to as the said Act), the third proviso shall be omitted. VI of 1898

Amendment of section 24, Act VI of 1898.

3. After section 24 of the said Act, the following section shall be inserted, namely :—

Insertion of a new section 24-A in Act VI of 1898.

"24-A. The Governor General in Council may, by general or special order, empower any officer of the Post Office, specified in such order, to deliver any postal article, received from beyond the limits of British India and suspected to contain anything liable to duty, to such Customs authority as may be specified in the said order and such Cutoms authority shall deal with such article in accordance with the provisions of the Sea Customs Act, 1878, or of any other law for the time being in force."

Power to deliver such articles to Customs authority.

4. In section 67 of the said Act, after the words "this Act" the words "or of any other Act for the time being in force" shall be inserted. VIII of 1478

Amendment of section 67, Act VI of 1898.

No. 2130-263.

Chamber of Commerce,
Bombay, 29th November 1921.

The Hon'ble Mr. A. H. Froom,
Bombay.

Dear Sir,—I am directed to acknowledge receipt of your letter of the 27th ultimo, and enclosure, with reference to the provisions of the Indian Post Office (Amendment) Act, 1921, and to thank you for bringing to the notice of my Committee the manner in which the existing procedure with regard to Foreign Mail letter covers is modified as a result of the passing of the Act.—Yours faithfully,

C. B. SAYER,
Secretary.

APPENDIX N-10.

DRAFT RULES UNDER THE INDIAN WIRELESS TELEGRAPHY (SHIPPING) ACT.

No. 748.

Marine Department,
Secretariat, Fort, Bombay.
30th April 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed by the Governor in Council to forward for the information of your Chamber copies of the letter from the Government of India, Department of Commerce, No. 2236, dated the 12th March 1921, and enclosures regarding the draft rules framed under section 6 of the Indian Wireless Telegraphy (Shipping) Act, 1920, and to request that you will be so good as to furnish Government with the views of the Chamber on the draft rules and the several points raised by the Government of India in connection with them.—I have,etc.

S. N. ZIMAN,
Deputy Secretary, Marine Department.

No. 2236.

Government of India,
Department of Commerce,
Delhi, the 12th March 1921.

The Secretary to the Government of Bombay,
Marine Department.

Sir,—I am directed to forward, for the views of His Excellency the Governor in Council, a draft of the rules which it is proposed to issue under section 6 of the Indian Wireless Telegraphy (Shipping) Act XLI of 1920. The draft is based on the Rules* issued by the Board of Trade under the English Merchant Shipping (Wireless Telegraphy) Act, 1919 and I am to make the following remarks in connection with it.

* Copy enclosed.

Under section 3 (1) of the Indian Act every 'sea-going' British ship registered in British India, being a passenger steamer, as defined in section 2 (1) (*a*), or a ship of 1,600 tons gross tonnage or upwards, is required to be provided with a Wireless Telegraph installation. The proviso to section 3 (1), however, empowers the. Governor General in Council to exempt, by notification, any ships or classes of ships on which the provision of a wireless telegraph installation is, in his opinion, unnecessary or unreasonable. The nature of the installation to be provided has to be prescribed by rules under section 6, and should apparently vary, as in the Board of Trade Rules, with the various classes of ships covered by the Act. The points for consideration are, therefore,

(*a*) how should ships be classified for purposes of the rules to be framed under the Act, and

(*b*) what ships or classes of ships should be exempted from the scope of the Act.

2. As regards (*a*), rule 2 of the Board of Trade Rules distinguishes between ships engaged in the coasting trade and those not engaged in such trade, and the expression "coasting trade" is defined in rule 1 as meaning trade exclusively carried on between ports in the British Islands. In the Indian Merchant Shipping law, however, a distinction is made only between "home-tradeships" and "foreign-going ships", *vide* section 118 of Act I of 1859. While, therefore, the Government of India see no objection to the adoption of the classification of ships in the Board of Trade rule 2 as it stands, they are inclined to think that the definition of the expression "coasting trade" in rule 1 of the draft rules should be as follows so as to bring it into line with the distinction drawn in the Indian law.

"The expression 'coasting trade' means trade exclusively carried on between the ports specified in the definition of 'home-trade ship' in section 118 of the Indian Merchant Shipping Act, 1859."

3. The question of exemptions is a more difficult one. The classes of ships to be considered in this connection appear to be (1) sailing ships and (2) steamships on the British or Indian Register which are engaged in the Indian trade. The question of sailing ships should not cause much difficulty. It is doubtful whether there are any such ships on the Indian Register of 1,600 tons gross or upwards, but if there are any, it would seem to be

desirable that they should be exempted from the provisions of the Indian Act, and the Government of India would be glad to be furnished with definite information on this point.

4. The difficulty with regard to steamships arises from the fact that there are probably far more ships on the British Register than on the Indian Register engaged in the Indian trade. The Government of India presume that ships on the British Register must comply with the Board of Trade Rules in regard to wireless telegraphy, even though they may be employed exclusively in the Indian trade. If this presumption, about which the Board of Trade are being consulted, is correct, then it seems desirable to follow the English Act and the rules thereunder in this respect as closely as possible, so as not to give ships on the Indian Register an unfair advantage over ships on the British Register. So far no exemptions appear to have been allowed under section 1 of the English Act nor are any exemptions provided for in the Board of Trade Rules referred to. The explanation of this fact appears to be that the English Act applies only 'sea-going' vessels. There is no statutory definition of 'sea-going' but the term is well understood in the United Kingdom. Ships which ply in 'smooth' or 'partially smooth' waters are not 'sea-going. The limits of 'smooth' and 'partially smooth' waters have been laid down in the Board of Trade rules and regulations relating to passenger steamers. The expression seems to be confined chiefly to the estuaries of the rivers, and if so coasting steamers as such are not exempt from the Board of Trade Rules under the Merchant Shipping (Wireless Telegraphy) Act, 1919. The problem of exemptions under the proviso to section 3 (1) of the Indian Wireles Telegraphy (Shipping) Act, 1920, has therefore to be decided with reference to conditions in Indian waterss. In this connection I am to refer you to the correspondence ending with the letter from the Government of Bombay, No. 543 dated the 15th July, 1913, which contained the views of the Local Government on the Wireless Telegraphy Bill which was then under consideration. The Bombay Government were of opinion that ships employed on the coasting trade between Karachi and Mergui, including the Ports round the Island of Ceylon and the Andamans, should be exempted from the provisions of the Bill, on the ground that such vessels are generally within easy reach of succour in time of distress and that the danger to which

they are chiefly exposed arises from cyclonic storms, the atmospheric disturbances incidental to which would in most cases prevent communication by wireless telegraphy. The view of the Bengal Chamber of Commerce, which does not appear to have been expressly endorsed by the Bengal Government, also was that local steamship services around the Indian coast, the vessels employed in which are almost invariably in touch with the land, should be similarly exempted.

5. Circumstances have, however, changed considerably since those views were expressed. Not only has wireless telegraphy greatly developed but there have also been great developments in the sensitiveness of public opinion towards the question of the safety of life at sea. It is, therefore, important that the question of the exemption of ships engaged in the Indian coasting trade should again be carefully considered. On the one hand, as pointed out by the Todhunter Committee on Life-saving Appliances of 1914, the conditions of navigation off the coast of India are generally favourable—probably more favourable than in the United Kingdom. The coasts are well lighted and well charted and are free from outlying dangers. Derelicts are rare. Small crafts without lights are a danger, but the seas are wide and are not crowded with shipping as are British waters. Fogs are confined to the rivers, while the foul seasons are well defined and an unusually high load-line bears testimony to the general prevalence of fine weather. The law of storms, moreover, is well known. On the other hand, it must be remembered that for four months in the year the sea is very rough, that even in the fair season the danger of cyclones is very real, especially at certain times of the year, and that no assistance can be expected from the shore by a ship in trouble. It may be that wireless telegraphy is of little use when a ship is actually in the midst of a cyclone, but it may be of great value in enabling a ship to get timely warning of a cyclone and of the direction from which it is coming. The two main reasons, therefore, why wireless telegraph installations are desirable even on ships exclusively engaged in the Indian coasting trade appear to be (1) the prevalence of very rough weather during the four months of the monsoon season when engine troubles or accidents must always be dangerous and (2) the danger of cyclones at other seasons.

6. In view of these facts, it seems clearly undesirable to exempt all ships which would be covered by the

definition of "coasting trade" suggested in paragraph 2 above, and the Government of India consider that, having regard to the provisions of section 16 (2) of the Merchant Shipping (Convention) Act, 1914, it would be sufficient if only such ships as normally do not go out of sight of land are exempted. In pursuance of this principle ships engaged in the 'coasting trade' should be exempted from the provisions of the act, except ships engaged on the following runs:—

(1) Calcutta to Rangoon.
(2) " " Port Blair.
(3) " " Penang.
(4) Madras ports to Rangoon.
(5) " " " Port Blair.
(6) " " " Penang.
(7) Rangoon to Calcutta.
(8) " " Port Blair.
(9) Rangoon to Penang.
(10) Moulmein to Penang.
(11) Mergui to Penang (possibly).
(12) Bombay to Aden.

7. I am to request that the issues involved may be carefully considered, in consultation with the Chambers of Commerce and Wireless Inspectors of the Marconi Company where they exist, and that the Government of India may be favoured with the advice of the Government of Bombay on the rules generally, and particularly on the definition of "coasting trade" suggested in paragraph 2 above, and on the question of exemptions dealt with in the succeeding paragraphs.

8. I am to ask that a reply to this letter may be sent as soon as possible, and in any case not later than 1st May 1921.—I have etc.,

J. G. BEAZLEY,
Deputy Secretary to the Government of India.

DRAFT RULES UNDER SECTION 6 OF THE INDIAN WIRELESS TELEGRAPHY (SHIPPING) ACT, 1920.

Interpretation.

1. In these Rules—

The expression "coasting trade" means trade exclusively carried on between the ports specified

in the definition of "home-trade ship" in section 118 of the Indian Merchant Shipping Act, 1859.

The number of hours occupied in a voyage from port to port means the normal number of hours occupied in a voyage between one port of call and the next.

Classification of Ships.

2. For the purposes of these Rules ships shall be classified as follows :—

Class I. Ships carrying 200 persons or more which are not engaged in the coasting trade.

Class II. Ships not engaged in the coasting trade carrying 50 but less than 200 persons and ships engaged in the coasting trade carrying 50 persons or more.

Class III. Ships carrying less than 50 persons.

In reckoning the number of persons carried by a ship there shall be included the normal crew of the ship and the maximum number of passengers permitted to be carried by the passenger certificate of the ship.

Nature of Installation.

3. The installation shall comply with the requirements of the International Radiotelegraph Convention, 1912, as modified by any other international agreement or of any international agreement by which the said Convention of 1912 may be superseded.

4. The installation shall be of the spark or interrupted continuous wave type.

5. (1) The installation shall include a normal installation and an emergency installation, except that where the normal installation complies with the requirements of this rule as to emergency installations as well as those as to normal installations a normal installation alone shall suffice.

(2) A normal installation must be capable of transmitting clearly perceptible signals from ship to ship over a range of at least 100 nautical miles by day under normal conditions and circumstances.

(3) An emergency installation must include an independent source of energy capable of being put into operation rapidly and of working for at least six continuous hours with a minimum range from ship to ship of

80 nautical miles for ships of Class I., and 50 nautical miles for ships of Classes II. and III., and such independent source of energy must be capable of being worked for at least six continuous hours independently from the source of propelling power for the ship, the steam supply system and the main electricity supply system.

(4) For the purposes of this rule an installation shall be deemed to comply with the above requirements as to range if it is able to maintain communication on a 600 metre wave at a range of one and a half times the number of nautical miles hereinbefore respectively prescribed over sea by day with a Post Office Standard Station when employing a receiver without amplification devices.

6. There shall be provided between the bridge and the wireless telegraph room means of communication by voice pipe, telephone or other means and an operator or watcher when on duty shall not leave the wireless telegraph room to deliver messages or to call his relief.

Ships not fitted with approved automatic apparatus.

7. If not fitted with an approved automatic apparatus for registering the signal of distress—

(*i*) A ship of Class I., shall carry certificated operators in accordance with the following table, and while at sea a certificated operator shall be always on watch:—

Nature of Voyage.	Number and grade of Operators.
(*a*) Voyage exceeding 48 hours from port to port.	Three operators, of whom one shall hold a First Grade certificate, and not more than one a Third Grade certificate.
(*b*) Voyage exceeding 8 hours but not exceeding 48 hours from port to port.	Two operators of whom one shall hold a First or a Second Grade certificate.
(*c*) Voyage not exceeding 8 hours from port to port.	One operator who shall hold a First or a Second Grade certificate.

(*ii*) A ship of Class II., shall carry certificated operators and certificated watchers in accordance with the following table, and while at sea a certificated operator shall always be on watch at the times specified in Schedule A to these Rules, and either a certificated operator or a certificated watcher shall always be on watch at other times.

Nature of Voyage.	Number and grade of Operators and Watchers.
(*a*) Voyage exceeding 48 hours from port to port.	One operator who shall hold a First or a Second Grade certificate, and two watchers.
(*b*) Voyage exceeding 8 hours but not exceeding 48 hours from port to port.	One operator who shall hold a First or a Second Grade certificate, and one watcher.
(*c*) Voyage not exceeding 8 hours from port to port.	One operator who shall hold a First or a Second Grade certificate.

(*iii*) A ship of Class III. shall carry one operator who shall hold a First or a Second Grade certificate, and while at sea the operator shall always be on watch at the times specified in Schedule A to these Rules.

Ships fitted with approved automatic apparatus.

8. In the event of an automatic apparatus for registering the signal of distress being approved by the Governor-General in Council and the Director-General of Posts and Telegraphs a ship of Class III. shall be fitted with such apparatus unless the ship is employed on voyages on which normally not more than 8 hours are taken to get from one port of call to the next, but in such a case the operator shall be on watch during the whole time of the voyage.

9. If fitted with automatic apparatus for registering the signal of distress approved as aforesaid:—

(*i*) A ship of Class I. shall carry certificated operators in accordance with the following table and while at sea a certificated operator shall always be on watch during the times specified in

Schedule A to these Rules, and a watch shall be maintained at all other times either by a certificated operator, or by a watcher, or by means of the approved automatic apparatus:—

Nature of Voyage.	Number and grade of Operators.
(*a*) Voyage exceeding 48 hours from port to port.	Two operators, one of whom shall hold a First Grade certificate.
(*b*) Voyage not exceeding 48 hours from port to port.	One operator who shall hold a First or a Second Grade certificate.

(*ii*) A ship of Class II. shall carry one operator who shall hold a First or a Second Grade certificate, and while at sea the operator shall be on watch during the times specified in Schedule A to these Rules, and a watch shall be maintained at all other times either by an operator, or by a watcher, or by means of the approved automatic apparatus.

(*iii*) A ship of Class III. shall carry one operator who shall hold a First or a Second Grade certificate, and while at sea the operator shall be on watch during the times specified in Schedule A to these Rules, and a watch shall be maintained at all other times either by an operator, or by a watcher, or by means of the approved automatic apparatus.

Provided that if a ship of Class III. is fitted with an automatic apparatus for registering the signal of distress and with an automatic apparatus for registering the ship's own distinguishing signal, both of which have been approved by the Governor-General in Council and the Director-General of Posts and Telegraphs, the operator shall not, while the ship is more than 150 nautical miles from any coast station, be required to be on watch at the times specified in Schedule A to these Rules.

Qualifications of Operators.

10. (1) Operators shall be graded into three grades in accordance with Rules to be made by the Director-

General of Posts and Telegraphs with the concurrence of the Governor-General in Council and watchers shall be certificated by the Director-General of Posts and Telegraphs.

(2) Until graded in accordance with such Rules as aforesaid:—

(*i*) An operator who holds the Director-General of Posts and Telegraphs' First Class certificate of competency and who has had three years' experience as an operator may be employed as if he held a First Grade certificate, but if an operator holding a First Grade certificate is available an operator holding a First Class certificate shall not be so employed on a ship of Class I. which is required by these Rules to carry three operators.

(*ii*) An operator who holds the Director-General of Posts and Telegraphs' First or Second Class certificate of competency and who has had one year's experience as an operator may be employed as if he held a Second Grade certificate.

(*iii*) An operator who holds the Director General of Posts and Telegraphs' First or Second Class certificate of competency and who has had less than one year's experience as an operator may be employed as if he held a Third Grade certificate.

11. The Director General of Posts and Telegraphs may accept certificates granted to operators by the Government of any part of His Majesty's Dominions or of a foreign country in pursuance of the regulations annexed to any International Radiotelegraph Convention for the time being in force.

Manner in which notice should be given to Chief Officer of Customs.

12. The notice required to be given under sub-section (3) of section 4 of the Act shall be in the Form in Schedule B to these Rules and a copy of every such notice shall on the same day be forwarded by the Wireless Telegraphy Inspector issuing the notice to the Chief Officer of Customs at the port concerned.

13. These Rules shall come into operation on the.....

SCHEDULE A.

Times of Watch for Ships required to carry one or two Operators.

Zones.	Western Limit.	Eastern Limit.	Times of Watch for One Operator, Greenwich Mean Time.	Times of Watch for Two Operators, Greenwich Mean Time.
A. Eastern Atlantic, Mediterranean, North Sea, Baltic, Western Arctic Sea.	Meridian of 30° W., Coast of Greenland.	Meridian of 30° E. to the South of the Coast of Africa. Eastern limit of Mediterranean, Black Sea, and of the Baltic, 30° E. to the North of Coast of Norway.	from 8 h. to 10 h. 12 h. „ 14 h. 16 h. „ 18 h. 20 h. „ 22 h.	from 0 h. to 6 h. 8 h. „ 14 h. 16 h. „ 18 h. 20 h. „ 22 h.
B. Indian Ocean, Eastern Arctic Sea.	Eastern Limit of Zone A.	Meridian of 90° E.	from 0 h. to 2 h. 12 h. „ 14 h. 16 h. „ 18 h. 20 h. „ 22 h.	from 0 h. to 2 h. 4 h. „ 10 h. 12 h. „ 14 h. 16 h. „ 18 h. 20 h. „ 24 h.

C. China Sea, Western Pacific Ocean.	Eastern Limit of Zone B.	Meridian of 160° E.	from 0 h. to 2 h. 4 h. „ 6 h. 12 h. „ 14 h. 20 h. „ 22 h.	from 0 h. to 6 h. 8 h. „ 10 h. 12 h. „ 14 h. 16 h. „ 22 h.
D. Central Pacific Ocean.	Eastern Limit of Zone C.	Meridian of 140° W.	from 0 h. to 2 h. 4 h. „ 6 h. 8 h. „ 10 h. 20 h. „ 22 h.	from 0 h. to 2 h. 4 h. „ 6 h. 8 h. „ 10 h. 12 h. „ 18 h. 20 h. „ 24 h.
E. Eastern Pacific Ocean.	Eastern Limit of Zone D.	Meridian of 70° W. South of the Coast of America, West Coast of America.	from 0 h. to 2 h. 4 h. „ 6 h. 16 h. „ 18 h. 20 h. „ 22 h.	from 0 h. to 2 h. 4 h. „ 6 h. 6 h. „ 14 h. 16 h. „ 22 h.
F. Western Atlantic Ocean and Gulf of Mexico.	Meridian of 70° W., South of the Coast of America, East Coast of America.	Meridian of 30° W., Coast of Greenland.	from 0 h. to 2 h. 12 h. „ 14 h. 16 h. „ 18 h. 20 h. „ 22 h.	from 0 h. to 2 h. 4 h. „ 10 h. 12 h. „ 18 h. 20 h. „ 22 h.

SCHEDULE. B.

Posts and Telegraph Department.

Captain——————

Port of——————

Date——————

SIR,

An inspection made this day of the wireless telegraph installation on board the S. S.—————— of which you are master, indicates that the equipment does not conform to the requirements of the Indian Wireless Telegraphy (Shipping) Act, 1920, and the license issued by the Director-General Posts and Telegraphs in the following particulars——————I am of opinion that the following steps should be taken to remedy the deficiencies——————. Copies of this report have beeen forwarded to the Chief Officer of Customs at——————

——————

Wireless Inspector.

———

No. 1135/168.

Chamber of Commerce,
Bombay, 2nd June 1921.

The Deputy Secretary to Government,
Marine Department, Bombay.

Sir,—I have the honour to acknowledge receipt of your letter, No. 748 of the 30th April 1921, forwarding a copy of a letter from the Government of India, Department of Commerce, No. 2236, dated the 12th March 1921, regarding the draft rules framed under Section 6 of the Indian Wireless Telegraphy (Shipping) Act, 1920, and asking for the views of this Chamber thereon.

In reply I am to communicate to Government the following criticisms of my Committee on the letter from the Government of India and on the Draft Rules:—

Letter from the Government of India.

Para 2: My Committee suggest that the term "Coasting" should include all ports in the Persian Gulf and

Busrah, if they are not already included under Section CXVIII of the Merchant Shipping Act, 1859, in its definition of the word "India."

Para 3: My Committee are of opinion that sailing ships should be exempted from the provisions of the Act.

Para 5 & 6: My Committee do not consider that conditions governing the navigation of Indian waters have changed in any way since 1915 when the Government of Bombay expressed the opinion, which my Committee endorse, that ships employed on the coasting trade between Karachi and Mergui, including the ports round the Island of Ceylon and the Andamans, should be exempted from the provisions of the Wireless Telegraphy Bill, which was then under consideration, on the ground that such vessels were generally within easy reach of succour in time of distress and that the danger to which they were chiefly exposed arose from cyclonic storms, the atmospheric disturbances incidental to which would in most cases prevent communication by Wireless Telegraphy. In this connection my Committee also support the recommendation of the Committee on Life Saving Appliances (Para 2 of their Report) that vessels which keep within a limited distance from the coast should be exempted from the necessity of carrying Wireless Telegraphy. The expression "normally does not go out of sight of land" used in para 6 of the Government of India's letter, while fairly broad, should be held to cover voyages across the Gulf of Cambay (vide para No. 39 of the Report above cited).

The list of voyages specifically exempted in para 6 from the general exemption to be granted to "Coasting trade" vessels seems to my Committee quite in order and should not be extended. So far as the West Coast of India is concerned, coastal passenger traffic during the monsoon is not of great magnitude and the frequency of ports of refuge together with the system of storm warnings appear to be sufficient warranty for exempting these voyages from the scope of the Act.

Draft Rules Under Section 6 of the Indian Wireless Telegraphy (Shipping) Act, 1920.

Rule 1. The remarks made above in connection with para 2 of the Government of India's letter apply to this Section.

Rule 2. Class II. My Committee consider that the limit of 50 persons will unfairly affect ships carrying Indian crews. The Merchant Shipping (Wireless Telegraphy) Rules, 1920, dated 10th July 1920, made by the Board of Trade were obviously intended to apply to vessels carrying European crews and the clause relating to ships carrying less than 50 persons would deal with cargo vessels not carrying passengers. For the same class of vessel carrying Indian crews the maximum number of 100 should be introduced.

Class II should read :—

"Ships not engaged in the coasting trade carrying 100 but less than 250 persons and ships engaged in the coasting trade carrying 100 persons or more."

Class III should read :—

"Ships carrying less than 100 persons"

In conclusion my Committee recommend that the Rules should not be brought into operation until, say, 12 months after they have been passed. Many ships which would come under the Indian Wireless Telegraphy Act may be trading away from their headquarters and would have to be brought back as opportunity offered to have their fittings and accommodation approved by the Government Surveyor.—I have etc.,

H. ROYAL,
for Secretary.

Extract from the Gazette of India, part I, P. 133 et seq. dated the 4th February, 1922.

No. 611.—In exercise of the power conferred by the proviso to sub-section (1) of section 3 of the Indian Wireless Telegraphy (Shipping) Act, 1920 (XLI of 1920), the Governor General in Council is pleased to exempt from the obligations imposed by the said Act, all ships engaged in the coasting trade except ships engaged in the following runs, namely :—

(1) Calcutta to Rangoon;
(2) „ „ Port Blair;
(3) „ „ Penang;
(4) „ „ Colombo;
(5) Madras ports to Rangoon;
(6) „ „ „ Port Blair;
(7) „ „ „ Penang:

(8) Rangoon to Calcutta;
(9) „ „ Port Blair;
(10) „ „ Penang:
(11) Bombay „ Aden;
(12) „ „ Karachi;
(13) Ports in British India to Singapore.

Explanation.—"Coasting trade" means trade exclusively carried on between the ports specified in the definition of "home-trade ship" in section 118 of the Indian Merchant Shipping Act, 1859 (I of 1859).

No. 612.—In exercise of the power conferred by section 6 of the Indian Wireless Telegraphy (Shipping) Act, 1920, (XLI of 1920,) the Governor-General in Council is pleased to make the following rules:— XLI of 1920

Short title and commencement.

1. (1) These rules may be called the Indian Wireless Telegraphy (Shipping) Rules, 1922.

(2) They shall come into force on the 1st August 1922.

2. In these rules, unless there is anything repugnant in the subject or context,—

Definition.

"Coasting trade" means trade exclusively carried on between the ports specified in the definition of "home-trade ship" in section 118 of the Indian Merchant Shipping Act, 1859. I of 1859

"Number of hours occupied in a voyage from port to port" means the normal number of hours occupied in a voyage between one port of call and the next. In the case of river ports the duration of the voyage shall count from pilot ground to pilot ground.

"The Act" means the Indian Wireless Telegraphy (Shipping) Act, 1920. XLI of 1920

Classification of Ships.

3. For the purposes of these rules ships shall be classified as follows:—

Class I. Ships carrying 200 persons or more which are not engaged in the coasting trade.

Class II. Ships not engaged in the "coasting trade" carrying not less than 50 but less than 200 persons and ships engaged in the coasting trade carrying 50 persons or more.

Class III. Ships carrying less than 50 persons.

In reckoning the number of persons carried by a ship there shall be included the normal crew of the ship and the maximum number of passengers permitted to be carried by the passenger certificate of the ship.

Installation to comply with requirements of Radio-telegraph Convention 1912.

4. The installation shall comply with the requirements of the International Radio-telegraph Convention, 1912, as modified by any other international agreement by which the said Convention of 1912 may be superseded.

Nature of installation.

5. The installation shall be of the spark or interrupted continuous wave type.

Installation to consist of a normal and an emergency installation except in certain cases.

6. (1) The installation shall include a normal installation and an emergency installation, except that where the normal installation complies with the requirements of this rule as to emergency installations as well as with those as to normal installations a normal installation alone shall suffice.

(2) A normal installation must be capable of transmitting clearly perceptible signals from ship to ship over a range of at least 100 nautical miles by day under normal conditions and circumstances.

(3) An emergency installation must include an independent source of energy capable of being put into operation rapidly and of working for at least six continuous hours with a minimum range from ship to ship of 80 nautical miles for ships of Class I, and 50 nautical miles for ships of Classes II and III, and such independent source of energy must be capable of being worked for at least six continuous hours independently from the source of propelling power for the ship, the steam supply system and the main electricity supply system.

Means of communication to be provided between the bridge and wireless telegraph room.

7. There shall be provided between the bridge and the wireless telegraph room means of communication by voice pipe, telephone or other means and an Operator or Watcher when on duty shall not leave the wireless telegraph room to deliver messages or to call his relief.

Requirements to be complied with by ships not fitted with automatic apparatus.

8. If not fitted with an approved automatic apparatus for registering the signal of distress—

(*i*) A ship of Class I shall carry certificated operators in accordance with the following table, and while at sea a certificated operator shall be always on watch :—

Nature of Voyage.	Number and grade of Operators.
(*a*) Voyage exceeding 48 hours from port to port.	Three operators, of whom one shall hold a First Grade certificate, and not more than one a Third Grade certificate.
(*b*) Voyage exceeding 8 hours but not exceeding 48 hours from port to port.	Two operators, of whom one shall hold a First or a Second Grade certificate.
(*c*) Voyage not exceeding 8 hours from port to port.	One operator who shall hold a First or a Second Grade certificate.

(*ii*) A ship of Class II shall carry certificated operators and certificated watchers in accordance with the following table, and while at sea a certificated operator shall always be on watch at the times specified in Schedule A to these Rules, and either a certificate operator or a certificated watcher shall always be on watch at other times :—

Nature of Voyage.	Number and grade of Operators and Watchers.
(*a*) Voyage exceeding 48 hours from port to port.	One operator who shall hold a First or a Second Grade certificate, and two watchers.
(*b*) Voyage exceeding 8 hours but not exceeding 48 hours from port to port.	One operator who shall hold a First or a Second Grade certificate, and one watcher.
(*c*) Voyage not exceeding 8 hours from port to port.	One operator who shall hold a First or a Second Grade certificate.

(*iii*) A ship of Class III shall carry one operator who shall hold a First or a Second Grade certificate, and while at sea the operator shall always be on watch at the times specified in Schedule A to these rules.

Ships of Class III to be fitted with approved automatic apparatus.

9. In the event of an automatic apparatus for registering the signal of distress being approved by the Governor-General in Council, a ship of Class III shall be fitted with such apparatus unless the ship is employ-

ed on voyages on which normally not more than 8 hours are taken to get from one port of call to the next, but in such a case the operator shall be on watch during the whole time of the voyage.

Requirements to be complied with by ships fitted with automatic apparatus.

10. If fitted with automatic apparatus for registering the signal of distress approved as aforesaid:—

(*i*) A ship of Class I shall carry certificated operators in accordance with the following table and while at sea a certificated operator shall always be on watch during the times specified in Schedule A to these rules, and a watch shall be maintained at all other times either by a certificated operator, or by a watcher, or by means of the approved automatic apparatus:—

Nature of Voyage.	Number and grade of Operators.
(*a*) Voyage exceeding 48 hours from port to port.	Two Operators, one of whom shall hold a First Grade Certificate.
(*b*) Voyage not exceeding 48 hours from port to port.	One Operator who shall hold a First or a Second Grade Certificate.

(*ii*) A ship of Class II shall carry one operator who shall hold a First or a Second Grade certificate, and while at sea the Operator shall be on watch during the times specified in Schedule A to these rules, and a watch shall be maintained at all other times either by an operator, or by a watcher, or by means of the approved automatic apparatus.

(*iii*) A ship of Class III shall carry one operator who shall hold a First or a Second Grade certificate, and while at sea the operator shall be on watch during the times specified in Schedule A to these rules, and a watch shall be maintained at all other times either by an operator, or by a watcher, or by means of the approved automatic apparatus:

Provided that if a ship of Class III is fitted with an automatic apparatus for registering the signal of distress and with an automatic apparatus for registering the ship's own distinguishing signal, both of which have been approved by the Governor-General in Council, the operator shall not, while the ship is more than 150 nautical miles from any coast station, be required to be on watch at the times specified in Schedule A to these rules,

Qualifications of operators.

11. (1) Operators shall be granted First, Second or Third Grade certificates in accordance with general or special orders of the Governor-General in Council in this behalf and watchers shall be certificated by the Director-General of Posts and Telegraphs.

(2) Until certificates are granted in accordance with such orders as aforesaid:—

(*i*) An operator who holds a First Class certificate of competency granted by the Director-General of Posts and Telegraphs and who has had three years' experience as an operator may be employed as if he held a First Grade certificate, but if an operator holding a First Grade certificate is available an operator holding a First Class certificate shall not be so employed on a ship of Class I which is required by these rules to carry three operators.

(*ii*) An operator who holds a First or Second Class certificate of competency granted by the Director-General of Posts and Telegraphs and who has had one year's experience as an operator may be employed as if he held a Second Grade certificate.

(*iii*) An operator who holds a First or Second Class certificate of competency granted by the Director-General of Posts and Telegraphs and who has had less than one year's experience as an operator may be employed as if he held a Third Grade certificate.

Discretion to accept certificates granted in other countries.

12. A certificate granted to an operator by the Government of any part of His Majesty's Dominions or of a foreign country in pursuance of the regulations annexed to any International Radio-telegraph Convention for the time being in force may be accepted for the purpose of these rules as equivalent to a certificate of such grade as the Director-General of Posts and Telegraphs may think fit by general or special order to direct.

Manner in which notice should be given to the Chief Officer of Customs.

13. The notice required to be given under sub-section 3 of section 4 of the Act shall be in the Form in Schedule B to these rules and a copy of every such notice shall on the same day be forwarded by the Wireless Telegraphy Inspector issuing the notice to the Chief Officer of Customs at the port concerned.

SCHEDULE A.

Times of Watch for Ships required to carry one or two Operators.

Zones.	Western Limit.	Eastern Limit.	Times of Watch for One Operator, Greenwich Mean Time.	Times of Watch for Two Operators, Greenwich Mean Time.
A. Eastern Atlantic, Mediterranean, North Sea, Baltic, Western Arctic Sea.	Meridian of 30° W., Coast of Greenland.	Meridian of 30° E. to the South of the Coast of Africa. Eastern limit of Mediterranean, Black Sea, and of the Baltic, 30° E. to the North of Coast of Norway.	from 8 h. to 10 h. 12 h. „ 14 h. 16 h. „ 18 h. 20 h. „ 22 h.	from 0 h. to 6 h. 8 h. „ 14 h. 16 h. „ 18 h. 20 h. „ 22 h.
B. Indian Ocean, Eastern Arctic Sea.	Eastern Limit of Zone A.	Meridian of 90° E.	from 0 h. „ 2 h. 12 h. „ 14 h. 16 h. „ 18 h. 20 h. „ 22 h.	from 0 h. to 2 h. 4 h. „ 10 h. 12 h. „ 14 h. 16 h. „ 18 h. 20 h. „ 24 h.

C. China Sea, Western Pacific Ocean.	Eastern Limit of Zone B.	Meridian of 160° E.	from 0 h. to 2 h. 4 h. „ 6 h. 12 h. „ 14 h. 20 h. „ 22 h.	from 0 h. to 6 h. 8 h. „ 10 h. 12 h. „ 14 h. 16 h. „ 22 h.
D. Central Pacific Ocean.	Eastern Limit of Zone C.	Meridian of 140° W.	from 0 h. to 2 h. 4 h. „ 6 h. 8 h. „ 10 h. 20 h. „ 22 h.	from 0 h. to 2 h. 4 h. „ 6 h. 8 h. „ 10 h. 12 h. „ 18 h. 20 h. „ 24 h.
E. Eastern Pacific Ocean.	Eastern Limit of Zone D.	Meridian of 70° W. South of the Coast of America, West Coast of America.	from 0 h. to 2 h. 4 h. „ 6 h. 16 h. „ 18 h. 20 h. „ 22 h.	from 0 h. to 2 h. 4 h. „ 6 h. 6 h. „ 14 h. 16 h. „ 22 h.
F. Western Atlantic Ocean and Gulf of Mexico.	Meridian of 70° W. South of the Coast of America, East Coast of America.	Meridian of 30° W., Coast of Greenland.	from 0 h. to 2 h. 12 h. „ 14 h. 16 h. „ 18 h. 20 h. „ 22 h.	from 0 h. to 2 h. 4 h. „ 10 h. 12 h. „ 18 h. 20 h. „ 22 h.

SCHEDULE B.

Posts and Telegraph Department.

Captain——————

Port of——————

Date——————

SIR,

An inspection made this day of the wireless telegraph installation on board the S. S.——————of which you are master, indicates that the equipment does not conform to the requirements of the Indian Wireless Telegraphy (Shipping) Act, 1920, and the license issued by the Director-General, Posts and Telegraphs, in the following particulars——————I am of opinion that the following steps should be taken to remedy the deficiencies——————. Copies of this report have been forwarded to the Chief Officer of Customs at——————

——————

Wireless Inspector.

No. 615.—In exercise of the power conferred by sub-section (3) of section 1 of the Indian Wireless Telegraphy (Shipping) Act, 1920 (XLI of 1920), the Governor-General in Council is pleased to direct that the Indian Wireless Telegraphy Shipping Act, 1920 (XLI of 1920), shall come into force on the 1st August 1922.

H. A. F. LINDSAY,
Secretary to the Government of India.

APPENDIX O-I.

ACCOMMODATION FOR DECK PASSENGERS ON BOARD NATIVE PASSENGER SHIPS.

No. 12612.

General Department,
Secretariat, Fort,
Bombay, 17th December 1920.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed to say that the Government of India have had under consideration the question of improving

the scale of accommodation at present provided for deck passengers on board native passenger ships and have decided to appoint a small Committee of experts to investigate the whole question of the sufficiency of the accommodation and sanitary conveniences provided on such vessels. The terms of reference to the Committee are enclosed for the information of your Chamber. The Committee will be composed of:—

1. Chairman.
2. A Medical or Sanitary Officer.
3. Two representatives nominated by the Bombay and Bengal Chambers of Commerce, respectively.
4. An Indian gentleman.
5. A Secretary.

The Committee's work is not expected to last very long and it will probably be necessary for them to visit only the ports of Bombay, Calcutta and Rangoon and possibly also Cocanada. The non-official members serving on the Committee will be paid a fixed allowance of Rs. 50 for each day's attendance on the Committee and in addition they will receive the ordinary travelling allowance by rail or steamer and a halting allowance of Rs. 10 a day to be drawn for the days of halt only, subject to the limit of ten continuous days' halt at one place. I am to request that you will be good enough to ask your Chamber to nominate their representative on the Committee on the terms proposed. The gentleman to be nominated should possess experience of shipping matters and should preferably have some knowledge of the native passenger traffic in question.—I have etc.,

S. N. ZIMAN,
Deputy Secretary.

TERMS OF REFERENCE.

To advise the Government of India what amendments, if any, it is desirable, in modern conditions, to make in the Native Passengers Ships Act, 1887, and the rules made thereunder in order to prevent overcrowding of deck passengers and to ensure their better health and comfort.

The Committee will be required in particular to consider and to make definite recommendations as to

(1) the amount of space to be prescribed for each passenger and the method to be adopted for the measurement of such space;

(2) the standards of ventilation, latrine-accommodation and water supply to be prescribed;

(3) the conditions on which the carriage of passengers' luggage and of cattle, sheep and goats should be permitted; and

(4) the structural alterations to ships involved in their recommendations.

The Committee should bear in mind the recommendations of the Native Passenger Ships Commission of 1890, and should carefully consider the expense to which shipping companies will be put and the decrease in the earning power of ships which may be involved in the acceptance of their recommendations in order that the amendments they propose to the Act or rules may not result in making fares prohibitive to the classes who usually travel as deck-passengers.

No. 2521/236.

Chamber of Commerce,
Bombay, 20th December 1920.

The Deputy Secretary, Government of Bombay,
General Department, Bombay.

Sir,—I have the honour to acknowledge receipt of your letter, No. 12612, dated the 17th December 1920, and its accompaniment, and to state that the same shall be laid before my Committee at their next meeting.

2. As, however, the probable date and place of the Committee's assembly is not indicated in your letter, I shall be grateful if you could inform me of the same at a very early date as in the absence of such information it will be very difficult for my Committee to nominate a representative at this stage of the enquiry.—I have etc.,

H. ROYAL,
for Secretary.

No. 12927.

General Department,
Secretariat, Fort,
Bombay, 28th December 1920.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—With reference to your letter No. 2521-236, dated the 20th December 1920, I am directed to say that the

Deck Passenger Committee will meet at Calcutta approximately on the 1st February next. The exact date of meeting will be communicated to the Chamber hereafter, when settled.—I have etc.,

S. N. ZIMAN,
Deputy Secretary to the Government of Bombay.

No. 114/31.

Chamber of Commerce,
Bombay, 14th January 1921.

The Deputy Secretary to Government,
General Department, Bombay.

Sir,—With reference to your letter, No. 12612, dated the 17th December 1920, and subsequent correspondence, I am directed to state that my Committee desire to nominate Mr. James M. Ritchie, Assistant Superintending Engineer of the Bombay Steam Navigation Co., Limited, as their representative on the Deck Passenger Committee on the terms proposed in the correspondence under reference.—I have etc.,

C. B. SAYER,
Secretary.

No. 115/31.

Copy forwarded with compliments to Messrs. Killick Nixon & Co., Agents, The Bombay Steam Navigation Co., Ltd., with reference to their letter, No. B09/205, dated the 14th January 1921.

C. B. SAYER,
Secretary.

No. 167/236.

Chamber of Commerce,
Bombay, 19th January 1921.

The Deputy Secretary to Government,
General Department, Bombay.

Sir,—In continuation of my letter, No. 114/236, dated the 14th instant, submitting the name of Mr. James M. Ritchie of the Bombay Steam Navigation Co., Ltd., as the Chamber's representative on the Deck Passenger Committee, I am directed to enquire whether, in view of the difficulty of obtaining hotel or other accommodation

especially at Calcutta and Rangoon, Government are making arrangements therefor at the ports which it is proposed the Committee will visit.

2. I am to request that a reply may be sent as early as possible.—I have etc.,

C. B. SAYER,
Secretary.

No. 864.

General Department,
Secretariat, Fort,
Bombay, 24th January 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—With reference to your Chamber's letter No. 167/236, dated the 19th January 1921, I am directed to say that the Government of India have been asked by telegram whether in view of the difficulty of obtaining hotel accommodation, especially at Calcutta and Rangoon, arrangements for accommodation will be made by that Government at the ports which will be visited by the Deck Passengers Committee.

2. In the meantime I am to say that Monday the 7th February 1921 has been fixed by the Government of India as the day on which the Committee should assemble at Calcutta and to enquire if it is convenient to Mr. Ritchie.—I have etc.,

S. N. ZIMAN,
Deputy Secretary.

No. 236/31.

Chamber of Commerce,
Bombay, 27th January 1921.

The Deputy Secretary to Government,
General Department, Bombay.

Sir,—I have the honour to acknowledge receipt of your letter, No. 864, of the 24th instant and in reply to the enquiry contained in the second paragraph thereof to state that Monday, 7th February 1921 will be convenient to Mr. Ritchie for the assembling of the Deck Passengers Committee at Calcutta.

If the Government of India are reserving accommodation for the members of the Committee, Mr. Ritchie will be obliged if a double room might be reserved for him as his wife will accompany him. I shall be obliged if you will kindly arrange for very early intimation to be sent to me if accommodation is not being reserved.—I have etc.,

H. ROYAL,
for Secretary.

No. 1062.

General Department,
Secretariat, Fort,
Bombay, 28th January 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—With reference to your letter No. 236-31, dated the 27th January 1921, I am directed to say that it has since been decided to postpone the assembly of the Deck Passenger Committee until the 15th February and the Government of India are being informed that this date will be convenient to Mr. Ritchie. The request made by Mr. Ritchie to reserve a double room in hotels at the ports visited by the committee has been communicated to that Government and the Chamber will be informed of their reply as soon as it is received.—I have etc.,

S. N. ZIMAN,
Deputy Secretary.

No. 1400.

General Department,
Secretariat, Fort, Bombay,
Dated the 8th February 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—In continuation of my letter No. 1062, dated the 28th January 1921, on the subject of the appointment of the Deck Passenger Committee I am directed to say that at Calcutta the Committee will work in the Imperial Secretariat Buildings, Room No. 116, Second Floor, and that accommodation consisting of a double room with bath has been reserved for Mr. Ritchie at the Great Eastern Hotel at the rate of Rs. 45 a day. Arrangements

for reserving hotel accommodation for Mr. Ritchie at other places will be made by the Secretary of the Committee.—I have etc.,

M. V. MERCHANT,
Deputy Secretary.

No. 1545.

General Department,
Secretariat, Fort,
Bombay, 11th February 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—In continuation of my letter No. 1400, dated the 8th instant, I am directed to forward for the information of your Chamber a copy of the Resolution of the Government of India No. 1088, dated the 5th February 1921, regarding the appointment of the Deck Passenger Committee.—I have etc.,

S. N. ZIMAN,
Deputy Secretary.

No. 1088.

Government of India,
Department of Commerce,
Delhi, 5th February 1921.

Rosolution

MERCHANT SHIPPING.

The Government of India have had under consideration the question of improving the standards of accommodation and sanitary conveniences at present provided for deck passengers under the Native Passenger Ships Act, 1887, and the rules made thereunder, in order to prevent the over-crowding of such passengers and to ensure their better health and comfort. They have cousulted the Local Governments concerned in the matter, but in view of the considerable diversity of opinion disclosed by their replies and of the fact that the subject involves a number of technical and other questions which need careful scrunity, the Government of India have decided to appoint a small Committee of experts, representative of official and un-official interests, to investigate the

whole question. The Committee will consist of the following gentlemen :—

PRESIDENT.

Mr. J. P. Hardiman, I.C.S., Commissioner,
Tenasserim Division, Burma.

MEMBERS.

Mr. James M. Ritchie, Representative,
Bombay Chamber of Commerce.

Captain P. de St. Croix, Representative,
Bengal Chamber of Commerce.

Mr. B. S. Kamat, M. L. A.

Mr. G. L. Batra, D. P. H., Special Officer,
Calcutta and Chittagong Ports.

SECRETARY.

Mr. E. Rogers, Superintendent,
Department of Commerce, Government of India.

The Committee will assemble at Calcutta on the 15th February 1921, and will subsequently visit the ports of Bombay, Rangoon and possibly also Coconada. It will submit its report to the Government of India as soon thereafter as possible. The terms of reference to the Committee are attached.

The Government of India trust that the Local Governments concerned will afford the Committee all the assistance which it may require, and they will comply with any requests for information and advice which it may address to them.

TERMS OF REFERENCE

To advise the Government of India what amendments, if any, it is desirable, in modern conditions, to make in the Native Passenger Ships Act, 1887, and the rules made thereunder in order to prevent the overcrowding of deck passengers and to ensure their better health and comfort.

The Committee will be required in particular to consider and to make definite recommendations as to

(1) the amount of space to be prescribed for each passenger and the method to be adopted for the measurement of such space;

(2) the standards of ventilation, latrine-accommodation and water supply to be prescribed;

(3) the conditions on which the carriage of passengers' luggage and of cattle, sheep and goats should be permitted; and

(4) the structural alterations to ships involved in their recommendations.

The Committee should bear in mind the recommendations of the Native Passenger Ships Commission of 1890, and should carefully consider the expense to which shipping companies will be put and the decrease in the earning power of ships which may be involved in the acceptance of their recommendations in order that the amendments they propose to the Act or rules may not result in making fares prohibitive to the classes who usually travel as deck-passengers.

ORDER.—Ordered that a copy of this Resolution be forwarded to the Governments of Madras, Bombay, Bengal and Burma, to the Finance Department and to the President and Members of the Committee.

Ordered also that the Resolution be published in the supplement to the Gazette of India for general information.

Sd. Illegible.
For Secretary to the Government of India.

The Bombay Steam Navigation Co., Ltd.,
Bombay, 27th, May 1921.

The Chairman, Chamber of Commerce,
Bombay.

Dear Sir,—I have pleasure in sending herewith a copy of the Report of Deck Passenger Committee in two Volumes.

Both Volumes I am instructed by Simla are meantime to be kept confidential.

Volume I. will be on sale to the public in the course of a week or so and your Chamber will be notified by Government when the Report is public.

Volume II. is not to be on sale or open to the Public and I have been requested to treat it as absolutely confidential.

I would also like to convey my appreciation to your Chamber for my nomination as their representative on the above Committee.—Yours faithfully,

JAS M. RITCHIE,
Member, Deck Passenger Committee.

No. 1219/31.

Chamber of Commerce,
Bombay, 16th June 1921.

James M. Ritchie, Esq.,
C/o The Bombay Steam Navigation Co., Ltd.,
Mazagon.

Dear Sir,—I am directed to acknowledge receipt of your letter of the 27th ultimo together with a copy (2 volumes) of the Report of the Deck Passenger Committee, and to convey to you the best thanks of my Committee for the services rendered by you to the Chamber as their nominee on the said Committee.—I am etc.,

H. ROYAL,
for Secretary.

APPENDIX O-2.

INTERNATIONAL LABOUR CONFERENCE, 1920.

DRAFT CONVENTIONS AND RECOMMENDATIONS CONCERNING EMPLOYMENT AT SEA.

No. 436.

Marine Department,
Secretariat, Fort,
Bombay, 5th March 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed by the Governor in Council to forward for the information of the Chamber, copies of the letter from the Government of India, Department of Commerce, No. 16, dated the 4th January 1921, and enclosures regarding the draft conventions and recommendations concerning employment at sea adopted by the General Conference of the International Labour Organisation at its second session held at Genoa from the 15th June to the 10th July last. I am to request that you will be so good as to ask the Chamber to furnish Government with their views on the matter. It is requested that a reply to this letter may be furnished as early as possible.—I have etc.,

S. N. ZIMAN,
Deputy Secretary

No. 16.

Government of India,
Department of Commerce,
Delhi, the 4th January 1921.

The Secretary to the Government of Bombay,
Marine Department.

Sir,—With reference to the correspondence ending with my letter No. 1483, dated the 26th April 1920, I am now directed to forward, for the information of the Government of Bombay, copies of three draft Conventions and four Recommendations concerning employment at sea adopted by the General Conference of the International Labour Organisation at its second session held at Genoa from the 15th June to the 10th July last. The draft Conventions and Recommendations will be found in Appendix II to this letter.

2. India was represented at this Conference by the following delegation :—

I.—*Government delegates.*

Mr. L. J. Kershaw, C.S.I., C.I.E., Secretary, Revenue and Statistics Department, India Office, London; and
Captain D. F. Vines. O.B.E., R.I.M., late Presidency Port Officer and Shipping Master, Calcutta.

Advisers.

Commander Hodgkinson, R.N.; and
Mr. J. E. P. Curry, Shipping Master, Bombay.

II.—*Employers' delegate.*

Mr. A. Cameron of Messrs. Gray, Dawes and Company, London.

Advisers.

Mr. J. C. Melville, Senior Assistant, Irrawaddy Flotilla Company of Burma;
Captain C. S. Penny, Marine Superintendent, British India Steam Navigation Company, Bombay; and
Mr. Taylor.

III.—*Workers' delegate.*

Mr. A. M. Mazarello, President of the Asiatic Seamen's Union, Bombay.

Advisers.

Bhikha Ahmed, Lascar; and

Habiboolla Ellamdeen, Fireman.

I am to enclose, for information, a copy of the answers (Appendix I) presented by the Government of India to the questionnaire circulated before the Conference by the International Labour Office.

3, Before dealing with the draft Conventions and the Recommendations adopted by the Conference I am to make certain preliminary remarks. The most important question discussed by the Conference was that of the limitation of hours of work. This question was remitted for preliminary examination to a Commission of thirty members, and this Commission finally presented to the full Conference a draft Convention, the main provisions of which were as follows:—The preamble declared that the 8-hour day or 48-hour week was the standard to be aimed at; Article I limited generally the effective working hours to 8 in the day or 48 in the week; Article 2 fixed for large vessels the working hours at 48 hours at sea and at 45 hours in port with compensating rest and payment for extra hours worked; Article 4 stated that for smaller vessels hours should be fixed on similar principles in consultation with shipowners and seamen; and Article 5 provided that a reduction in the working hours of Indian seamen should be made in consultation with organisations of shipowners and Indian seamen. This draft Convention, the full text of which is given in Appendix III to this letter, failed to obtain the necessary majority by a fraction of a vote, but the proceedings of the Conference cannot fail to strengthen the seamen's claim to an 8-hour day or a 48-hour week, and already a Bill has been presented at home by certain members of the Labour party for the amendment of the Merchant Shipping Act. Clause 11 of this Bill reads as below:—

> "Except in case of grave emergency (proof whereof shall in any penal proceedings under this section rest upon the accused persons), no seamen or apprentice to the sea service shall be employed on or in connection with, any British ship for longer than 8 hours a day or for longer than 48 hours a week, and if the master of any British ship causes or allows any contravention of this section he shall be liable to a fine not exceeding ten pounds and to a further fine not

exceeding one pound for every day on which such contravention occurs, and if the owner of the ship causes or is a party to the offence he shall be liable to a fine not exceeding fifty pounds and to a further fine not exceeding five pounds for every day on which such contravention occurs, but without prejudice to the liability of the master."

It is thus an important question for consideration whether action should not now be taken in India to limit the hours of work of seamen. The principle was recognised at the Conference that Indian seamen must be accorded special treatment, and that the Government of India in consultation with shipowners and seamen should be left free to determine what reductions in the existing hours of work should be made. In their answers to the questionnaire the Government of India, following the precedent of the Washington Conference, expressed their willingness to adopt the principle of the 60-hour week. It would probably be necessary, however, to distinguish in any legislation which might be undertaken between the hours of work of deck-hands, engine-room crews, and saloon crews, respectively, and Mr. Kershaw with the full concurrence of Mr. Cameron and Mr. Mazarello offered to agree to a week of 48 hours for firemen, 60 hours for deck-hands, and 70 hours for stewards. A solution of the question might be found on these lines, but it is a matter for consideration whether a final decision can be arrived at until a settlement has been effected at home. It is perhaps doubtful whether clause 11 of the private Bill referred to above will be passed into law in its present form, but it seems certain that whether by negotiation or otherwise a revision in the near future of the hours of seamen's labour on ships registered in the United Kingdom is inevitable. It is true that the Conference only just failed to adopt a Convention which would have given the Government of India discretion to decide in conjunction with shipowners and seamen what reduction should be made in the hours of work of Indian seamen. But the strength of feeling displayed at the Conference against Indian seamen and the action already taken by certain Seamen's Unions at home, notably the Stewards' Union, to place definite limits on the proportion of Asiatic seamen which may be employed on ships registered in the United Kingdom show that Asiatic seamen are regarded with apprehension by the seamen of European countries generally and

particularly by those of the United Kingdom. They come into direct competition with British seamen, and the fear evidently exists that by their willingness to work longer hours for smaller rates of pay they may deprive British seamen of their employment. On the other hand, it has been said that Indian seamen, by reason of their inferior physique and lower level of education, are less efficient on board ship than British seamen, and, if this statement is well founded, there is undoubtedly a danger that, if allowance is not made for this factor in such matters as hours of labour and rates of pay, lascars may find it increasingly difficult to find employment in an avocation for which they have shown marked aptitude. This result would be a great misfortune not only for the lascars themselves, but also for India and the Empire. The question, therefore, is one of great complexity. The Government of India are satisfied that special consideration must be shown to lascars, and that it would be unfair to place them on the same level as British seamen in the matter of hours of work. At the same time, they doubt whether it is wise, in the interests of the lascars themselves, that there should be too great a disparity in this matter between the regulations applying to Indian seamen and those applying to British seamen. They are disposed to think, therefore, that it would be prudent to postpone any final decision as to the action which should be taken in the direction of reducing hours of labour in India until a settlement has been arrived at home. When the hours of seamen's labour have been revised in the United Kingdom, the revised hours, with such modifications as may be deemed suitable, may be applied also in India. In the meantime, however, there is no objection to the whole question being discussed with shipowners and Seamen's Unions in India. As no draft Convention requires ratification the matter is not one of any great urgency, and the reply to the rest of this letter need not be delayed in order that the question of reducing hours of labour may also be dealt with.

4. I am now to offer certain remarks on the draft Conventions and Recommendations adopted by the Conference. It will be understood that the views of the Government of India at this stage are purely provisional and that, in formulating them, the Government of India have kept in mind the principle already referred to, namely, that in the interests of lascars themselves it is unwise to allow too marked a difference in standard

between the conditions of service in India and those in other countries.

5. *Recommendation concerning the limitation of hours of work in the fishing industry.*—This recommendation suggests that each Member of the International Labour Organisation should enact legislation limiting in the direction of an 8-hour day or a 48-hour week the hours of work of all workers employed in the fishing industry with such provisions as may be necessary to meet the conditions peculiar to the fishing industry in each country. It is further suggested that in framing such legislation each Government should consult the organisations of employers and the organisations of workers concerned.

I am to explain that the Conference decided not to adopt any convention regarding hours of work in the fishing industry. In the first place, the industry was not itself represented on the Conference. Secondly, it was felt that the subject was one of such complexity and difficulty that it could hardly be regulated by international convention. It was pointed out, for instance, that sea fishing falls broadly into two main categories, coast or in-shore fishing and deep-sea fishing carried on usually in trawlers or drifters. The conditions under which both classes of fishing are carried on vary greatly in different countries. The fishing boats and tackle are frequently owned or partly owned by a family or by partners, and the men that work them are frequently both employers and employees. In many countries again both in-shore and deep-sea fishing are co-operative ventures. The owners of the fishing boat or trawler engage a crew, and the catch is shared between the owners and the crew. Even in deep-sea trawlers and drifters the men are frequently paid partly by money and partly by a share of the catch. In view of these difficulties, it was at first proposed that the Conference should exclude labour on fishing vessels from the scope of its deliberations, but eventually it was decided that, while each nation must be left to decide what legislation was necessary in order to protect workers in the fishing industry, the Conference should endeavour to lay down principles, and this Recommendation was finally adopted. From the speech of one of the delegates of the French Government, at whose suggestion this action was taken, it appears probable that the Conference in framing this Recommendation had deep-sea fishing chiefly in mind.

6. As at present advised, the Government of India do not think it necessary to take any action on this Recommendation. Indeed it would be premature to do so pending a decision on the general question of the hours of seamen's labour. They excluded all consideration of sea fishing from their answers to the questionnaire, and they think that they are correct in saying that practically no deep-sea fishing by means of steam trawlers or drifters is at present carried on in India or Burma. Sea fishing in this country, it is believed, is almost exclusively in-shore fishing, the fishing boats and tackle are usually of a primitive description, and the fishermen, though they may be financed by merchants, frequently own the boats and tackle and remunerate their employees, if any, by a share in the catch. In the circumstances, the Government of India doubt whether legislation on the lines of the Recommendation would be either useful or possible, but they will await advice on the subject. I am to add that much strees was laid at the Conference on the necessity of Governments consulting organisations of employers and of workers. The Government of India are not aware that any such organisations exist in connection with the sea-fishing industry of India. But, if this belief is not correct, I am to ask that this part of the Recommendations may be acted on.

7. *Recommendation concerning the limitation of hours of work in inland navigation.*—In dealing with this subject the Conference was at once confronted with the difficulty that inland navigation differs enormously in different countries and even in parts of the same country. In some countries the term connotes the navigation of barges on artificial canals of no great length. In others it connotes the navigation of big steamers on inland seas like the Caspian or Lake Superior or on great rivers often traversing several countries like the Danube and the Amazon. In view of the inherent difficulties of the subject, therefore, the Conference decided that it was impossible to frame any draft Convention of general application, and that each Member of the League should be left to deal with the matter, in the first instance, on such lines as might seem best suited to the conditions of the particular country concerned. Certain general principles, however, have been laid down for guidance. It has been suggested that the standard of an 8-hour day or a 48-hour week adopted by the Washington Conference for industrial employment generally should be

applied as far as may be to inland navigation. Each Member has been left to decide for itself in consultation with organisations of employers and workers how inland navigation should be distinguished from maritime navigation, and finally the progress made in giving effect to the Recommendation has to be reported within two years to the International Labour Office.

8. The subject of inland navigation is not complicated in India by the existence of waterways common to this and other countries, and Article 2 of the Recommendation need not be considered. Nor, it is thought, should there be much difficulty in distinguishing in India inland from maritime navigations. "Inland water" is defined in the Inland Steam-vessels Act, 1917 (I of 1917), as including "any canal, river, lake, or other navigable water in British India," and "inland steam-vessel" means a steam-vessel which ordinarily plies on any inland water. For practical purposes, these definitions seem sufficient, but the Government of India would be glad of advice on the question.

9. In their answers to the questionnaire the Government of India declined to commit themselves on the subject of the conditions of service in inland navigation on the ground that the question was a novel one in India, that it raised issues of great importance, and that they had not been given sufficient time to consider it. Provisionally they are inclined to clear the ground by excluding from consideration for the present all forms of inland navigation other than navigation by inland steam-vessels as defined in the Inland Steam-vessels Act, 1917. Subject to any remarks which this letter may elicit, they are disposed to think that in the present state of development in India it would serve no useful purpose to endeavour to frame regulations limiting the hours of work on such classes of vessels as the barges which ply on the Irrawaddy and on creeks in Burma or on canals like the Buckingham Canal in Madras and the "dug-outs" which are used for conveying produce along the canals and back-waters of the west coast. If any legislation is undertaken at all in the direction of limiting the hours of work in respect of inland navigation it should probably take the form of an amendment of the Inland Steam-vessels Act, 1917 and should apply only to these vessels. In regard to factory employment generally in India, the Government of India have decided to ratify the draft Convention adopted by the Washing-

ton Conference, and, in accordance with Article 10 of that draft Convention, to adopt the principle of a 60-hour week for all workers in industries at present covered by the Factories Act. The Government of India incline to the view that the same principle might be applied to the crews of inland steam-vessels, a daily limit of hours of work being probably out of the question. The Government of India do not possess full information with regard to the actual practice that prevails on inland steamers in different parts of the country regarding the hours of work, but they think that a maximum limit of 60 hours will not probably affect the existing system very prejudically. The Government of India, however, have an open mind upon the subject and have no objection to a lower limit of hours being fixed. They attach more importance to getting the principle of limitation of hours of work being accepted, and they would be content as a beginning to fix the maximum number of working hours at 60 per week. If this proposal is accepted it would presumably be unnecessary to differentiate between deck crews, saloon crews, and engine-room crews, but if a lower limit is thought necessary for the last class the Government of India are prepared to receive suggestions. The Government of India also presume that the legislation, which it would be necessary to undertake and which might suitably be incorporated in the Inland Steam-vessels Act, 1917 should provide for payment at enhanced rates for work done in excess of the 60-hour limit. The alternative would be to provide a penalty for any master who, except in case of emergency, required any member of the crew of his vessel to work more than 60 hours in a week, and it would probably be difficult to enforce a provision of this kind. In dealing with the questions raised organisations of work-people should be consulted where they exist as well as employers.

10. *Recommendation concerning the establishment of a National Seamen's Code.*—The Government of India do not think it necessary at present to consider the establishment of a Seamen's Code. In their opinion the codification of the Indian law regarding Merchant Shipping must precede the compilation of any special code relating to the rights and obligations of seamen, and they have already this question under their consideration.

11. *Draft Convention fixing the minimum age for the admission of children to employment at sea.*—The minimum

age is fixed at 14 years, an exception being made in respect of school ships and training ships and of vessels in which only members of the same family are employed. For the purpose of the draft Convention "vessel" includes all ships and boats of whatever description engaged in maritime navigation except ships of war, and it is also prescribed that every shipmaster should be required to keep a register of all persons under the age of 16 years employed on board the vessel and of the dates of their birth.

12. It will be observed that the draft Convention contains no article of special application to India similar to Article 6 of the corresponding draft Convention passed by the Washington Conference with regard to industrial employment. The insertion of a special article was proposed, and the attention of the Conference was drawn not only to the precedent of the Washington Conference, but also to the express provisions of Article 405 of the Treaty of Peace with Germany. The proposal, however, was negatived. The Conference decided that it was not advisable in this matter to consider the particular needs of particular countries, and that backward countries should be urged along the path of progress. However unexceptionable these sentiments may be, they are not in accordance with the terms of the Peace Treaty, and the Government of India hold themselves free to ratify the draft Convention or not as may seem advisable. At the same time, they are not aware that the question is of much importance in India. From the reports of maritime Local Governments on the questionnaire it is understood that children under 14 years of age are rarely employed on board ship in India, and that, in the comparatively few instances where children below this age are permitted to sign on, they are almost invariably the sons of serangs and seacunnies who are anxious to keep their sons under their eye. The delegates of the Government of India at the Cenference state that the Reporter of the Commission when presenting the report to the Conference gave an assurance that the draft Convention was not intended to interfere with the Indian custom of sending young boys to sea on nominal wages in the charge of their relatives, and, this being so, the Government of India as at present advised are disposed to ratify the draft Convention. It will be necessary, however, to modify Article 1. The Government of India do not think that it would be advisable to bring mere fishing boats within

the scope of the legislation that would be necessary, and they are inclined to think that the application of the draft Convention should be confined to ships engaged in the foreign trade and to ships of more than 300 tons burden engaged in the coasting trade. In this connection section 26 of the Indian Merchant Shipping Act, 1883, may be referred to. If this suggestion is accepted that Act will require amendment and it will also be necessary to amend the Apprentices Act, 1850 (XIX of 1850).

13. *Recommendation concerning unemployment insurance for seamen.*—The remarks of the Government of India on the subject of unemployment of lascars and unemployment insurance in their answers to the questionnaire may be referred to. The Government of India adhere to their opinion that the question of unemployment among Indian seamen is not at present one of practical importance, and that it would be premature even to consider the question of establishing a system of insurance against unemployment. They have decided to take no immediate action on the recommendation of the Washington Conference in regard to unemployment insurance, and as at present advised they propose to adopt the same attitude in regard to this Recommendation.

14. *Draft Convention concerning unemployment indemnity in case of loss or foundering of the ship.*—This draft Convention prescribes that in every case of loss or foundering of a vessel the owners or persons with whom the seaman has contracted for service on board the vessel shall pay to each seaman employed on the vessel an indemnity against unemployment resulting from such loss or foundering. The indemnity takes the form of payment of the seaman's wages until the seaman obtains fresh employment, but is limited to two months' wages. It should be noticed that "vessel" is defined to include all ships and boats engaged in maritime navigation, excluding ships of war, and the term "seaman" includes all persons employed on any vessel engaged in maritime navigation.

This draft Convention was accepted unanimously by the Conference. It was considered unquestionably fair that this obligation should be laid upon the owners of the ship, and that the owners would have no difficulty in insuring against the risk.

15. The law on this subject in India is contained in section 51 of the Indian Merchant Shipping Act, 1859.

This section provides that, in the event of a seaman's service being terminated by reason of the wreck or loss of the ship in which he is employed, the seaman's legal right to wages terminates from the date of such wreck or loss. The principle of the draft Convention seems clearly sound as is evidenced by the fact that it was unanimously adopted, but it is possible that there may be difficulties in applying it to ships registered in India. It is believed, for instance, that in India seamen do not always earn their living solely on the sea, and that they prefer in certain months of the year to work in their villages either on their own land or as agricultural labourers. If this belief is correct it would be difficult to work Article 2 of the draft Convention with fairness to the shipowners since during the two months for which the seaman would be entitled to wages after shipwreck he might make no attempt to find fresh employment on board ship. It would seem necessary, therefore, if this draft Convention is ratified, also to ratify the draft Convention for establishing facilities for finding employment for seamen. The draft Convention which is dealt with below recommends the establishment of public employment offices, and it would tend to guard against the abuse of Article 2 of this draft Convention if a seaman claiming the benefit of the Article were required to show that he had registered his name at a public employment office and had been unable to obtain employment. The Government of India would prefer to ratify the draft Convention in respect of vessels of the classes referred to at the end of paragraph 12 above, but the question is one of some difficulty, and I am to ask that it may be carefully considered in consultation with shipowners and such Seamen's Unions as exist in India.

16. *Draft Convention for establishing facilities for finding employment for seamen.*—The main object of this draft of Convention is to abolish "crimping" in any shape or form, and the terms of Article 2 have purposely been made very wide. It prohibits the business of finding employment for seamen however carried on, it prescribes that the fees may be charged directly or indirectly finding such employment and suggests that the infringement of this Article should be made a penal offence. Article 3, however, recognises that there are still places and parts of the world where the employment of private agencies must be regarded as rendering service to the community, and it sanctions the continuance, as a

temporary measure, of such private agencies, provided that:—

(1) recruitment by such agencies is carried on under Government inspection and supervision; and

(2) all practicable measures are taken to abolish as soon as possible the practice of finding employment for seamen as a commercial enterprise for gain.

Article 4 recommends that public employment offices should be organised and maintained, and that such offices should be maintained either by representative associations of shipowners and seamen jointly under the control of a central authority, or in the absence of such joint action by the State itself. It is also suggested that, presumably in cases where the State has to assume responsibility for organising these employment offices, advisory committees consisting of an equal number of representatives of shipowners and seamen should be formed to advise on matters concerning the management of the offices. The draft Convention also deals with the articles of agreement and the collection of statistics concerning unemployment among seamen and the work of the proposed employment agencies.

17. The engagement of seamen is at present carried on in India through shipping brokers who are licensed under section 18 of the Indian Merchant Shipping Act, 1859. These brokers are paid not by the seamen, but by the shipowners. The brokers, however, come within the terms of Article 2 of the draft Convention, and, if the Government of India ratify the Convention, it will be necessary, though the broker system may be allowed to continue temporarily, to set up as early as possible public employment offices on the lines suggested by the Conference. The Government of India believe that the broker system has hitherto worked sufficiently well in India, and that it is free from flagrant abuse. At the same time, they are in sympathy with the desire of the Conference to abolish agencies which make a business of recruiting seamen, and they recognise that the shipping broker system, though it may be suited to the present conditions of India, is open to objections of principle. They have arrived at the conclusion that in most parts of India unemployment agencies would serve no useful purpose, but seamen's labour is *sui generis*. It gravitates for employment, it is believed, either to

Calcutta or Bombay, and seeks that employment in the vicinity of the docks. It is possible, therefore, that employment agencies of the kind contemplated in Article 4 of the draft Convention might be established with some hope of success in the two places named, and if this belief is well founded, the Government of India would welcome the experiment. It is doubtful, however, whether at present employment offices could be organised and maintained by joint committees of shipowners and seamen, and probably the State would, in the first instance, have to make itself responsible. In that case the Shipping Master would presumably manage the employment office assisted by an Advisory Committee of the type indicated in Article 5. These views, however, are purely provisional. It is understood that a large proportion of the lascars who engage at Bombay is recruited from Daman and other places further up the coast, and the view may perhaps be taken that in order to secure the requisite supply of seamen some more dynamic form of recruitment than is afforded by employment offices is still required in India. The Government of India will await the replies to this letter before coming to a final decision, but if it is thought that the shipping broker system must continue for some time longer, I am to enquire whether the Government of India should still ratify the draft Convention. Perhaps it might be possible to establish employment agencies at Bombay and Calcutta while not interfering for the present with the shipping brokers. Articles 7 to 10 of the draft Convention do not seem to require comment at this stage. The Government of India think that they may safely accept the principles of all these articles, though, unless employment agencies are established, Article 10 would probably remain a dead letter in so far as it relates to the collection of statistics of unemployment. It is perhaps unnecessary at present specially to consider Article 9. A description of the organisations existing in the United Kingdom and in Norway for the supply of seamen will be found in Appendix IV to this letter. Here again Seamen's Unions as well as shipowners should be consulted.

18. Under Article 405 of the Peace Treaty with Germany the Government of India are bound to lay such Recommendations and Conventions of the Conference as will involve legislation before the Legislature within one year, or at the latest within eighteen months of the closing of the session of the Conference. The

Government of India are informed that, for the purpose of this Article, the Genoa Conference closed on the 10th July last. I am to ask, therefore, that a reply to this letter may be furnished as early as possible, and in any case not later than the 1st April next.—I have etc.,

C. A. INNES,
Secretary to the Government of India.

APPENDIX I.

ANSWERS TO QUESTIONNAIRE.

The Government of India desire to point out that they received notice of this special meeting of the Labour Conference only in the middle of February last, and that, though a brief summary of the questionnaire reached them by cable in the beginning of March, they did not receive the full text till the middle of that month. This short notice, which is particularly short for the Government of India since their answers have to be sent by mail to London to be considered there by their representatives, probably caused little inconvenience in countries where the questions to be discussed at the Conference are familiar, where the shipping and labour interests are both highly organized, and where an authoritative opinion can readily be obtained from either interest. But conditions are entirely different in India. Many of the questions raised in the questionnaire, while they raise issues of far-reaching importance, are novel in India and have not previously been considered. The country is very large and is divided into provinces under local Governments which have large powers and which must be consulted. Owing to imperfect industrial organization, there are no ready means of ascertaining the views of employers and employees on the questions raised. Labour is particularly ill-organized and inarticulate, and its interests, which in European countries can safely be left to Trades Unions, in India must be safeguarded mainly by Government and their officers. Nor have Government of India had time through the Local Governments, fully to consult the various shipping companies which are vitally interested in the subject for discussion and which ordinarily have to refer questions of this kind to their head offices in London.

For these reasons, the Government of India feel that before they can definitely commit themselves on the questions raised in the questionnaire they require more time for consideration than has been given them, and they would have preferred that any conventions or recommendations which may be agreed to by the Conference should not apply to India, but that the case of India should be reserved for consideration by a future meeting of the Conference; at the same time recognizing, as they do, the great importance of the subjects for discussion, they have sent delegates to represent them at the Conference, and, as will be seen below, are prepared in respect of the first item of the agenda, to agree, with certain exceptions and reservations, to the principle of a 60 hours' week.

2. The replies now given to the questionnaire embody all the information which the Government of India have been able to collect in the short time given. In respect of such of the questions, however, as require an expression of the views of the Government of India as to future policy, the answers below must be regarded as provisional and as subject to further consideration when the Government of India have had time to make more detailed enquiries. The Government of India also desire to re-affirm the general statement of policy in regard to organized labour in India expressed in paragraph 18 of their memorandum for the Washington Conference. They deprecate any attempt to bring Indian labour conditions into line with those Western countries by violent legislative changes. But they fully recognize the necessity of improving labour conditions in India.

3. Before stating their answers to the questionnaire, the Government of India desire to make the following points clear:—

(1) Their answers relate only to 'lascars and other native seamen'. British seamen engaging in foreign-going and home-going ships in Indian ports usually engage on British articles of agreement. Their case need not be considered with special reference to India.

(2) The most important legislative provisions in India dealing with the conditions of employment of seamen are contained in Chapter IV of the Indian Merchant Shipping Act V of 1883 read with Act I of 1859. These provisions do not apply to the crews of ships of a

burden not exceeding 300 tons employed in the coasting trade, and nothing in the answers below should be regarded as applying to the crews of tugs, barges, native craft employed in the coasting trade or in the trade with Persian Gulf ports and of fishing vessels. These classes of vessels, so far as India is concerned, should be excluded from the operations of any conventions or recommendations adopted by the Conference. The Government of India have not sufficient information regarding conditions of employment on such vessels to justify their making any recommendations concerning them, and for the present they prefer to concentrate on the main issue and to confine their attention to the case of lascars and other native seamen employed on foreign-going and coasting steamers.

(3) For the same reason the Government of India do not propose to deal in these answers with inland navigation. Hitherto as regards inland navigation, legislation has been undertaken only in respect of such matters as the survey of inland steam vessels and the qualifications of masters and engineers. Whether legislation is required for the protection of the crews on steamers navigating inland waters is a matter which requires separate consideration. The Government of India are quite prepared to give it that consideration and to pay careful attention to any views which the Conference may express. But the Government of India are not prepared to commit themselves on the question. One local Government which is closely interested in inland navigation has already expressed the opinion that it is quite unnecessary to introduce for inland navigation the provisions of section 18 *et seq* of Act I of 1859 and of Chapter IV of Act V of 1883, and has stated that the labour involved would be quite disproportionate to the advantages to be gained. It is obvious of course, that the conditions of inland navigation differ entirely from those of navigation by sea, and the Government of India as at present advised doubt whether

the same regulations could suitably be applied to both forms of navigation. They also think that it would be impossible to apply the same regulations—

(1) to the large steamers and flats which navigate the Irrawaddy and Ganges; and

(2) to the small tugs launches and barges which ply on such rivers as the Godavary and Kristna, on navigable canals and on the backwaters of the West Coast.

4. Having made the above preliminary points clear the Government of India proceed to answer the questions in the questionnaire.

ITEM I OF THE AGENDA.

Hours of Labour and their effect on Manning and Accommodation.

A.—Hours of Labour.

1. There are no regulations in the Indian Merchant Shipping Acts prescribing the hours of duty of foreign-going seamen. As far as is known, there are no agreements between organizations of shipowners and seamen on the subject. It is believed that there is only one organization of seamen in India. It is a Union of Goan stewards (who are not British subjects) and has been only recently established.

2. "Lascars and other native seamen" fall into three main classes :—

(1) Deck hands.

(2) Engine room staff.

(3) Stewards or saloon crews.

Their hours of labour vary not only for each class but also with the port of engagement and the class of vessels. But the following scale of hours of duty which is reported to be ordinarily in force at Bombay may be taken as typical.

Deck hands—At sea, from about 5-30 A.M. to 5-30 P.M. with two intervals of one hour each for meals and one hour's duty on look-out. Shorter hours are worked on Saturdays and Sundays. In port, from 6 A M. to 5-30 P.M., with the same intervals for meals and shorter hours on Saturdays and Sundays.

Engine-room Crew.—At sea the crew is divided into watches. Each watch is four hours on duty and 8 hours

off duty. In port the hours of duty are from 7 A.M. to 5 P.M., with intervals for meals as above. Shorter hours are worked on Saturdays and no work is done on Sundays except that necessary to maintain lighting and sanitary services.

Saloon Crews.—The duties performed by this section of the crew are so various that any general statement regarding hours of work would be misleading. Broadly speaking men are required to be on duty during service hours, which vary with the class of employment and the rating of the individual.

It will be seen that hours of labour are considerably longer than the standard 8 hours day and 48 hours week recommended by the Washington Conference. In pursuance of the terms of Article 405 of the Peace Treaty with Germany, however, the Washington Conference agreed that India was entitled to special treatment, and Article 10 of the Draft Convention limiting hours of work in industrial undertakings prescribes that in British India the principle of a 60-hour week should be adopted in all industries at present covered by the Factory Acts, in mining and in such branches of railways as shall be specified for the purpose by the competent authority. British India is equally entitled to special treatment in respect of seamen's labour, and if the principle of an 8 hours day be adopted for maritime workers generally, the Government of India would be prepared to accept the principle of a 60 hours week for Indian maritime workers. As stated above, however, the Government of India cannot at present commit themselves regarding workers on inland vessels, and in view of the facts stated in paragraph 3 (2) above, the possibility of applying this principle to vessels in the coasting trade will require very careful consideration. Even on ocean-going vessels the principle will require modification in its application to the various section of the crews.

B.—Manning.

1. No.

2. If hours of labour are fixed, masters will naturally engage sufficiently large crews to allow for the necessary relief, and the Government of India are not at present satisfied that specified manning regulations are necessary. The necessity for them has not so far made itself felt. But in any case, as any Convention regulating hours of work would contain special provisions applicable to

Indian seamen, an international manning scale could not be applied to India.

C.—Accommodation.

1 (*a*) An extract of section 70 of Act I of 1859 is appended:—

"70. A place or places of shelter shall be provided below a well caulked and substantial deck for the men engaged under this Act; such place or places shall be so arranged as to allow for the men the following spaces:—

"(1) for each European seamen or apprentice or other person shipped on the same footing as a European seaman, ten superficial feet, if the place be not less than six feet in height from deck to deck or sixty cubic feet if the height from deck to deck be less than six feet;

"(2) for each lascar or native seamen or other person shipped on the same footing as a lascar six superficial and thirty-six cubic feet; and if the place allotted be under the top gallant forecastle, such forecastle deck shall not be less than four feet six inches above the one below it.

"Every such place shall be kept free from stores or goods of any kind, not being the personal property of the crew, in use during the voyage: and if any such place in any ship is not in the whole sufficiently large to give such space for each seaman and apprentice as hereinbefore required, or is not properly caulked, and in all other respects securely and properly constructed and well ventilated, the owner shall, for every such failure to comply with the provisions of this section, incur a penalty not exceeding two hundred rupees; and if any such space as aforesaid is not kept free from goods and stores as aforesaid, the master shall, for every such failure to comply with the provisions of this section. incur a penalty not exceeding one hundred rupees."

In practice, however, the more liberal scale (12 superficial and 72 cubic feet) prescribed by the British Merchant Shipping Act of 1894 is applied not only to ships of British registry, but also in practically all cases to ships of Indian registry. The British Act of 1906, which further increased the scale to 15 superficial and 120 cubic feet, specially provides that the new scale does not apply to lascars.

(*b*) None.

2. If larger crews are necessitated by the ratification by the Government of India of the Convention adopted by the Conference, it would be necessary—

(1) to amend section 27 of Act V of 1883 so as to prescribe that the agreement between masters and seamen should contain particulars as to the maximum hours of labour;

(2) to frame rules as to the hours of labour to be entered in the agreements;

(3) to allow the shipping companies reasonable time to carry out the necessary alterations in the accommodation provided for seamen.

Section 71 of Act I of 1859 enables a shipping master or his deputy to enter on ships to see if the prescriptions of the Act to accommodation for seamen are observed.

3. No. The habits of life of "lascars and other native seamen" differ so entirely from those of European seamen as to make it impossible to apply the same standards of accommodation to both classes of seamen.

ITEM II OF THE AGENDA.

A.—Articles of Agreement.

The relevant sections of the Merchant Shipping Acts are sections 18 to 35 of Acts I of 1859 and sections 25 to 30 of Act V of 1883. A form of lascar agreement will be available at the Conference.

(*a*) Yes. *See* section 22 of Act I of 1859, sections 26 to 29 Act V of 1883 and section 115 of Act I of 1859.

(*b*) (1) Provision is made in the agreement itself that any member of the crew who considers himself aggrieved by any breach of the agreement or otherwise, if he does not get satisfaction from the master or officer in charge of the ship, may represent his grievance to a Lascar Transfer Officer on the arrival of the ship at a port in the United Kingdom or to a British Consul on arrival at a foreign port or to the British Shipping Master at a British Colonial port. Enquiry is then made.

(2) }
(3) } None.

B.—Facilities for finding employment for Seamen.

1. Under section 43 of the Indian Merchant Shipping Act, I of 1859, the master is compelled to sign and give

to a seamen discharged from his ship a certificate of his discharge in a form approved and sanctioned by Government. These discharge certificates specify the period of service and the time and place of engagement and discharge, and also the seaman's rating and character. They form a complete record of the seaman's seafaring career. Expired articles of agreement are kept for future references in the shipping office where they were originally opened.

2. No. Seamen are engaged in India through licensed brokers, and the shipping masters' offices at the principal ports also serve as a centre where seamen can obtain employment.

C.—Unemployment and Unemployment Insurance.

(*a*) The question of unemployment of lascars has not yet assumed practical importance in India. Some classes of lascars prefer to work on land during the four monsoon months, and during that period return to their villages, where they obtain work either on their own lands or as agricultural labourers. There is practically no employment problem, and India is scarcely interested at all in the Draft Convention adopted by the Washington Conference.

(*b*) The Government of India see no necessity at present to introduce any system of unemployment insurance, which in the circumstances explained in the previous paragraph would be entirely premature. As regards the recommendation of the Washington Conference that measures should be taken to prohibit the establishment of employment agencies which charge fees or which carry on their business for profit, and that where such agencies already exist they should be permitted to operate only under Government licences, and that all practicable measures should be taken to abolish such agencies as soon as possible, the Government of India observe that shipping brokers already work under Government licences—*vide* section 18 of Act I of 1859. So far as is known, the shipping broker system has not given rise to any complaint and is suited to a country where labour is so ill-organized as in India. Shipping brokers are useful in that they protect the labour from crimping, and it should be noticed that the fees paid to the brokers are paid not by the lascars themselves but by the shipowners. It would be premature at once to abolish the licensed broker system, but the question will be kept constantly in view.

ITEM III OF THE AGENDA.

Prohibition of the employment of Children under 14 Years of Age.

1. The Apprentices Act XIX of 1850 prescribes that children between the age of 10 and 18 may be bound as apprentices and provision is made in the Act for sea service. But the Act, it is believed, is practically a dead-letter, at any rate in regard to sea service. The Merchant Shipping Acts do not impose any limitations on the age at which lascars may be employed on board ships. By executive instructions, however, shipping masters have been instructed not to permit the engagement in the engine-rooms of foreign-going steamers of lascars of less than 18 years of age and not to permit the employment in the engine-rooms of coasting steamers of lascars of less than 16 years of age. In India, of course, it is extremely difficult to get accurate information as to the age of lascars applying for employment. The shipping masters, therefore, have been warned to pay particular attention to the physique of young lascars seeking employment in the engine-rooms of steamers and where candidates appear to be physically unfit by reason of their youth, either to refer the matter to the decision of the Port Health Officer or to refuse employment as they think fit.

2. The Government of India as at present advised see no objection to applying to sea labour the provisions of Article 6 of the Draft Convention adopted by the Washington Conference regarding the employment of young children. Occasionally, however, young boys are employed as deck hands in coasting steamers on nominal wages. These boys are usually the sons or relatives of serangs, tindals and leading hands, and are looked after by them. In India, there is no form of compulsory education at present, and it is a great convenience to serangs and tindals, especially those who are widowers, to take their sons on board with them. It is regarded as a privilege and the Government of India presume that the practice need not be objected to.

ITEM IV OF THE AGENDA.

The possibility of establishing an International Code for Seamen.

The Government of India have not had time to deal with the important question raised in this item of the

Agenda. It is presumed that the intention is to draw up uniform Articles of Agreement for seamen all the world over and to bring contracts of employment as far as possible into line with those obtaining in the case of workers on shore. The Government of India note that, in any case, lascars' agreements must be in a special form owing to the necessity of providing for their repatriation from foreign ports. But, as already mentioned, they are not in a position at present to discuss the question raised in this part of the Agenda.

APPENDIX II.

LEAGUE OF NATIONS.

International Labour Conference.

LONDON, 19 August, 1920.

The Draft Conventions and Recommendations here reprinted were adopted by the International Labour Conference at its session held in Genoa. The Recommendation concerning the limitation of hours of work in the fishing industry was adopted on 30 June, 1920; the other Recommendations and Draft Conventions were adopted on 9 July, 1920, with the exception of the Draft Convention for establishing facilities for finding employment for seamen, which was adopted on 10 July, 1920.

The texts of the Draft Conventions and Recommendations as here presented are true copies of the texts authenticated by the signatures of the President of the International Labour Conference and of the Director of the International Labour Office, and deposited with the Secretary-General of the League of Nations.

ALBERT THOMAS,

Secretary-General of the League of Nations.

Recommendation concerning the limitation of hours of work in the Fishing Industry.

The General Conference of the International Labour Organization of the League of Nations,

Having been convened at Genoa by the Governing Body of the International Labour Office, on the 15th day of June, 1920, and

Having decided upon the adoption of certain proposals with regard to the "Application to seamen of the Convention drafted at Washington, last November, limiting the hours of work in all industrial undertakings, including transport by sea and, under conditions to be determined, transport by inland waterways, to 8 hours in the day and 48 in the week. Consequential effects as regards manning and the regulations relating to accommodation and health on board ship," which is the first item in the agenda for the Genoa meeting of the Conference, and

Having determined that these proposals shall take the form of a recommendation,

adopts the following Recommendation, to be submitted to the Members of the International Labour Organization for consideration with a view to effect being given to it by national legislation or otherwise, in accordance with the Labour Part of the Treaty of Versailles of 28 June, 1919, of the Treaty of St. Germain of 10 September, 1919, of the Treaty of Neuilly of 27 November, 1919, and of the Treaty of the Grand Trianon of 4th June, 1920:

In view of the declaration in the Treaties of Peace that all industrial communities should endeavour to adopt, so far as their special circumstances will permit, "an eight-hours' day or a forty-eight hours' week as the standard to be aimed at where it has not already been attained," the International Labour Conference recommends that each Member of the International Labour Organization enact legislation limiting in this direction the hours of work of all workers employed in the fishing industry; with such special provisions as may be necessary to meet the conditions peculiar to the fishing industry in each country; and that in framing such legislation each Government consult with the organizations of employers and the organizations of workers concerned.

Recommendation concerning the limitation of hours of work in Inland Navigation.

The General Conference of the International Labour Organization of the League of Nations,

Having been convened at Genoa by the Governing Body of the International Labour Office on the 15th day of June, 1920, and

Having decided upon the adoption of certain proposals with regard to the "Application to

seamen of the Convention drafted at Washington, last November, limiting the hours of work in all industrial undertakings, including transport by sea and, under conditions to be determined, transport by inland waterways, to 8 hours in the day and 48 in the week. Consequential effects as regards manning and the regulations relating to accommodation and health on board ship," which is the first item in the agenda for the Genoa meeting of the Conference, and

Having determined that these proposals shall take the form of a recommendation,

adopts the following Recommendation, to be submitted to the Members of the International Labour Organization for consideration with a view to effect being given to it by national legislation or otherwise, in accordance with the Labour Part of the Treaty of Versailles of 28 June, 1919, of the Treaty of St. Germain of 10 September, 1919, of the Treaty of Neuilly of 27 November, 1919, and of the Treaty of the Grand Trianon of 4 June, 1920:

In view of the declaration in the Treaties of Peace that all industrial communities should endeavour to adopt, so far as their special circumstances will permit, "an eight hours' day or a forty-eight hours' week as the standard to be aimed at where it has not already been attained," the International Labour Conference recommends :—

I

That each Member of the International Labour Organization should, if it has not already done so, enact legislation limiting in the direction of the above declaration in the Treaties of Peace the hours of work of workers employed in inland navigation, with such special provisions as may be necessary to meet the climatic and industrial conditions peculiar to inland navigation in each country, and after consultation with the organizations of employers and the organizations of workers concerned.

II

That those Members of the International Labour Organization whose territories are riparian to waterways which are used in common by their boats should enter into agreements for limiting in the direction of the

aforesaid declaration, the hours of work of persons employed in inland navigation on such waterways, after consultation with the organizations of employers and the organizations of workers concerned.

III

That such national legislation and such agreements between riparian countries should follow as far as possible the general lines of the Draft Convention concerning hours of work adopted by the International Labour Conference at Washington, with such exceptions as may be necessary for meeting the climatic or other special conditions of the countries concerned.

IV

That, in the application of this Recommendation, each Member of the International Labour Organization should determine for itself, after consultation with the organizations of employers and the organizations of workers concerned, what is inland navigation as distinguished from maritime navigation, and should communicate its determination to the International Labour Office.

V

That each Member of the International Labour Organization should report to the International Labour Office, within two years after the adjournment of the Genoa Conference, the progress which it has made in the direction of this Recommendation.

Recommendation concerning the establishment of National Seamen's Codes.

The General Conference of the International Labour Organization of the League of Nations,

Having been convened at Genoa by the Governing Body of the International Labour Office, on the 15th day of June, 1920, and

Having decided upon the adoption of certain proposals with regard to a "Consideration of the possibility of drawing up an International Seamen's Code," which is the fourth item in the agenda for the Genoa meeting of the Conference, and

Having determined that these proposals shall take the form of a recommendation,

adopts the following Recommendation, to be submitted to the Members of the International Labour Organization for consideration with a view to effect being given to it by national legislation or otherwise, in accordance with the Labour Part of the Treaty of Versailles of 28 June, 1919, of the Treaty of St. Germain of 10 September, 1919, of the Treaty of Neuilly of 27 November, 1919, and of the Treaty of the Grand Trianon of 4 June, 1920:

In order that, as a result of the clear and systematic codification of the national law in each country, the seamen of the world, whether engaged on ships of their own or foreign countries, may have a better comprehension of their rights and obligations, and in order that the task of establishing an International Seamen's Code may be advanced and facilitated, the International Labour Conference recommends that each Member of the International Labour Organization undertake the embodiment in a seamen's code of all its laws and regulations relating to seamen in their activities as such.

Draft convention fixing the minimum age for admission of Children to employment at sea.

The General Conference of the International Labour Organisation of the League of Nations,

Having been convened at Genoa by the Governing Body of the International Labour Office, on the 15th day of June 1920, and

Having decided upon the adoption of certain proposals with regard to the "application to seamen of the Convention adopted at Washington last November prohibiting the employment of children under 14 years of age," which is the third item in the agenda for the Genoa meeting of the Conference, and

Having determined that these proposals shall take the form of a draft international convention,

adopts the following draft Convention for ratification by the Members of the International Labour Organisation, in accordance with the Labour Part of the Treaty of Versailles of 28 June, 1919, of the Treaty of St. Germain of 10 September, 1919, of the Treaty of Neuilly of 27 November, 1919, and of the Treaty of the Grand Trianon of 4 June, 1920:

ARTICLE 1.

For the purpose of this Convention, the term "vessel" includes all ships and boats, of any nature whatsoever, engaged in maritime navigation, whether publicly or privately owned; it excludes ships of war.

ARTICLE 2.

Children under the age of fourteen years shall not be employed or work on vessels, other than vessels upon which only members of the same family are employed.

ARTICLE 3.

The provisions of Article 2 shall not apply to work done by children on school-ships or training-ships, provided that such work is approved and supervised by public authority.

ARTICLE 4.

In order to facilitate the enforcement of the provisions of this Convention, every shipmaster shall be required to keep a register of all persons under the age of sixteen years employed on board his vessel, or a list of them in the articles of agreement, and of the dates of their births.

ARTICLE 5.

Each Member of the International Labour Organisation which ratifies this Convention engages to apply it to its colonies, protectorates, and possessions which are not fully self-governing:

(*a*) Except where owing to the local conditions its provisions are inapplicable; or

(*b*) Subject to such modifications as may be necessary to adapt its provisions to local conditions.

Each Member shall notify to the International Labour Office the action taken in respect to each of its colonies, protectorates, and possessions which are not fully self-governing.

ARTICLE 6.

The formal ratifications of this Convention under the conditions set forth in Part XIII of the Treaty of St. Germain of 10 September, 1919, of the Treaty of Neuilly of 27 November, 1919, and of the Treaty of the Grand Trianon of 4 June, 1920, shall be communicated to the Secretary-General of the League of Nations for registration.

ARTICLE 7.

As soon as the ratifications of two Members of the International Labour Organisation have been registered with the Secretariat, the Secretary-General of the League of Nations shall so notify all the Members of the International Labour Organisation.

ARTICLE 8.

This Convention shall come into force at the date on which such notification is issued by the Secretary-General of the League of Nations, but it shall then be binding only upon those Members which have registered their ratifications with the Secretariat. Thereafter this Convention will come into force for any other Member at the date on which its ratification is registered with the Secretariat.

ARTICLE 9.

Subject to the provisions of Article 8, each Member which ratifies this Convention agrees to bring its provisions into operation not later than 1 July, 1922, and to take such action as may be necessary to make these provisions effective.

ARTICLE 10.

A Member which has ratified this Convention may denounce it after the expiration of ten years from the date on which the Convention first comes into force, by an Act communicated to the Secretary-General of the League of Nations for registration. Such denunciation shall not take effect until one year after the date on which it is registered with the Secretariat.

ARTICLE 11.

At least once in ten years, the Governing Body of the International Labour Office shall present to the General Conference a report on the working of this Convention and shall consider the desirability of placing on the agenda of the Conference the question of its revision or modification.

ARTICLE 12.

The French and English texts of this Convention shall both be authentic.

Recommendation concerning Unemployment Insurance for Seamen.

The General Conference of the International Labour Organisation of the League of Nations,

Having been convened at Genoa by the Governing Body of the International Labour Office, on the 15th day of June, 1920, and

Having decided upon the adoption of certain proposals with regard to the "Supervision of articles of agreement. Provision of facilities for finding employment for seamen. Application to seamen of the Convention and Recommendations adopted at Washington in November last in regard to unemployment and unemployment insurance." which is the second item in the agenda for the Genoa meeting of the Conference, and

Having determined that these proposals shall take the form of a recommendation,

adopts the following Recommendation, to be submitted to the Members of the International Labour Organisation for consideration with a view to effect being given to it by national legislation or otherwise, in accordance with the Labour Part of the Treaty of Versailles of 28 June, 1919, of the Treaty of St. Germain of 10 September, 1919, of the Treaty of Neuilly of 27 November, 1919, and of the Treaty of the Grand Trianon of 4 June, 1920:

The General Conference, with a view to securing the application to seamen of Part III of the Recommendation concerning Unemployment adopted at Washington on 28 November, 1919, recommends that each Member of the International Labour Organisation should establish for seamen an effective system of insurance against unemployment arising out of ship-wreck or any other cause, either by means of Government insurance or by means of Government subventions to industrial organisations whose rules provide for the payment of benefits to their unemployed members.

Draft convention concerning unemployment indemnity in case of loss or foundering of the Ship.

The General Conference of the International Labour Organisation of the League of Nations,

Having been convened at Genoa by the Governnig Body of the International Labour Office, on the 15th day of June, 1920, and

Having decided upon the adoption of certain proposals with regard to the "Supervision of

articles of agreement. Provision of facilities for finding employment for seamen. Application to seamen of the Convention and Recommendations adopted at Washington in November last in regard to unemployment and unemployment insurance," which is the second item in the agenda for the Genoa meeting of the Conference, and

Having determined that these proposals shall take the form of a draft international convention,

adopts the following Draft Convention for ratification by the Members of the International Labour Organisation, in accordance with the Labour Part of the Treaty of Versailles of 28 June, 1919, of the Treaty of St. Germain of 10 September, 1919, of the Treaty of Neuilly of 27 November, 1919 and of the Treaty of the Grand Trianon of 4 June, 1920 :

ARTICLE 1.

For the purpose of this Convention, the term "seamen" includes all persons employed on any vessel engaged in maritime navigation.

For the purpose of this Convention, the term "vessel" includes all ships and boats, of any nature whatsoever, engaged in maritime navigation, whether publicly or privately owned ; it excludes ships of war.

ARTICLE 2.

In every case of loss or foundering of any vessel, the owner or person with whom the seaman has contracted for service on board the vessel shall pay to each seaman employed thereon an indemnity against unemployment resulting from such loss or foundering.

This indemnity shall be paid for the days during which the seaman remains in fact unemployed at the same rate as the wages payable under the contract, but the total indemnity payable under this Convention to any one seaman may be limited to two months' wages.

ARTICLE 3.

Seamen shall have the same remedies for recovering such indemnities as they have for recovering arrears of wages earned during the service.

ARTICLE 4.

Each Member of the International Labour Organisation which ratifies this Convention engages to apply it to its colonies, protectorates and possessions which are not fully self-governing :

(*a*) Except where owing to the local conditions its provisions are inapplicable ; or

(*b*) Subject to such modifications as may be necessary to adapt its provisions to local conditions.

Each Member shall notify to the International Labour Office the action taken in respect of each of its colonies, protectorates and possessions which are not fully self-governing.

ARTICLE 5.

The formal ratifications of this Convention, under the conditions set forth in Part XIII of the Treaty of Versailles of 28 June, 1919, of the Treaty of St. Germain of 10 September, 1919, of the Treaty of Neuilly of 27 November, 1919, and of the Treaty of the Grand Trianon of 4 June, 1920, shall be communicated to the Secretary-General of the League of Nations for registration.

ARTICLE 6.

As soon as the ratifications of two Members of the International Labour Organisation have been registered with the Secretariat, the Secretary-General of the League of Nations shall so notify all the Members of the International Labour Organisation.

ARTICLE 7.

This Convention shall come into force at the date on which such notification is issued by the Secretary-General of the League of Nations, and it shall then be binding only upon those Members which have registered their ratifications with the Secretariat. Thereafter this Convention will come into force for any other Member at the date on which its ratification is registered with the Secretariat.

ARTICLE 8.

Subject to the provisions of Article 7, each Member which ratifies this Convention agrees to bring its provisions into operation not later than 1 July, 1922, and to take such action as may be necessary to make these provisions effective.

ARTICLE 9.

A Member which has ratified this Convention may denounce it after the expiration of five years from the date on which the Convention first comes into force, by an act communicated to the Secretary-General of the League of Nations for registration. Such denunciation shall not take effect until one year after the date on which it is registered with the Secretariat.

ARTICLE 10.

At least once in ten years, the Governing Body of the International Labour Office shall present to the General Conference a report on the working of this Convention, and shall consider the desirability of placing on the agenda of the Conference the question of its revision or modification.

ARTICLE 11.

The French and English texts of this Convention shall both be authentic.

Draft Convention for establishing Facilities for finding employment for Seamen.

The General Conference of the International Labour Organization of the League of Nations,

Having been convened at Genoa by the Governing Body of the International Labour Office, on the 15th day of June, 1920, and

Having decided upon the adoption of certain proposals with regard to the "Supervision of articles of agreement, Provision of facilities for finding employment for seamen, Application to seamen of the Convention and Recommendations adopted at Washington in November last in regard to unemployment and unemployment insurance," which is the second item in the agenda for the Genoa meeting of the Conference, and

Having determined that these proposals shall take the form of a draft international convention,

adopts the following Draft Convention for ratification by the Members of the International Labour Organization, in accordance with the Labour Part of the Treaty of Versailles of 28 June, 1919, of the Treaty of St. Germain of 10 September, 1919, of the Treaty of Neuilly of 27 November 1919, and of the Treaty of the Grand Trianon of 4 June, 1920:

ARTICLE 1.

For the purpose of this Convention, the term "seamen" includes all persons, except officers, employed as members of the crew on vessels engaged in maritime navigation.

ARTICLE 2.

The business of finding employment for seamen shall not be carried on by any person, company, or other agency, as a commercial enterprise for pecuniary gain; nor shall any fees be charged directly or indirectly by any person, company or other agency, for finding employment for seamen on any ship.

The law of each country shall provide punishment for any violation of the provisions of this Article.

ARTICLE 3.

Notwithstanding the provisions of Article 2, any person, company or agency which has been carrying on the work of finding employment for seamen as a commercial enterprise for pecuniary gain, may be permitted to continue temporarily under Government licence, provided that such work is carried on under Government inspection and supervision, so as to safeguard the rights of all concerned.

Each Member which ratifies this Convention agrees to take all practicable measures to abolish the practice of finding employment for seamen as a commercial enterprise for pecuniary gain as soon as possible.

ARTICLE 4.

Each Member which ratifies this Convention agrees that there shall be organized and maintained an efficient and adequate system of public employment offices for finding employment for seamen without charge. Such system may be organized and maintained, either:

(1) by representative associations of shipowners and seamen jointly under the control of a central authority, or,

(2) in the absence of such joint action, by the State itself.

The work of all such employment offices shall be administered by persons having practical maritime experience.

When such employment offices of different types exist, steps shall be taken to co-ordinate them on a national basis.

ARTICLE 5.

Committees consisting of an equal number of representatives of shipowners and seamen shall be constituted to advise on matters concerning the carrying on of these offices; the Government in each country may make provision for further defining the powers of these Committees, particularly with reference to the committees' selection of their chairman from outside their own membership, to the degree of state supervision, and to the assistance which such committees shall have from persons interested in the welfare of seamen.

ARTICLE 6.

In connection with the employment of seamen, freedom of choice of ship shall be assured to seamen and freedom of choice of crew shall be assured to shipowners.

ARTICLE 7.

The necessary guarantees for protecting all parties concerned shall be included in the contract of engagement or articles of agreement, and proper facilities shall be assured to seamen for examining such contract or articles before and after signing.

ARTICLE 8.

Each Member which ratifies this Convention will take steps to see that the facilities for employment of seamen provided for in this Convention shall, if necessary by means of public offices, be available for the seamen of all countries which ratify this Convention, and where the industrial conditions are generally the same.

ARTICLE 9.

Each country shall decide for itself whether provisions similar to those in this Convention shall be put in force for deck-officers and engineer officers.

ARTICLE 10.

Each Member which ratifies this Convention shall communicate to the International Labour Office all available information, statistical or otherwise, concerning unemployment among seamen and concerning the work of its seamen's employment agencies.

The International Labour Office shall take steps to secure the co-ordination of the various national agencies for finding employment for seamen, in agreement with the Governments or organizations concerned in each country.

ARTICLE 11.

Each Member of the International Labour Organization which ratifies this Convention engages to apply it to its colonies, protectorates and possessions which are not fully self-governing :—

(a) Except where owing to the local conditions its provisions are inapplicable; or

(b) Subject to such modifications as may be necessary to adapt its provisions to local conditions.

Each Member shall notify to the International Labour Office the action taken in respect of each of its colonies, protectorates and possessions which are not fully self-governing.

ARTICLE 12.

The formal ratifications of this Convention, under the conditions set forth in Part XIII of the Treaty of Versailles of 28 June, 1919, of the Treaty of St. Germain of 10 September, 1919, of the Treaty of Neuilly of 27 November, 1919, and of the Treaty of the Grand Trianon of 4 June, 1920, shall be communicated to the Secretary-General of the League of Nations for registration.

ARTICLE 13.

As soon as the ratifications of two Members of the International Labour Organization have been registered with the Secretariat, the Secretary-General of the League of Nations shall so notify all the Members of the International Labour Organization.

ARTICLE 14.

This Convention shall come into force at the date on which such notification is issued by the Secretary-General of the League of Nations, and it shall then be binding only upon those Members which have registered their ratifications with the Secretariat. Thereafter this Convention will come into force for any other Member at the date on which its ratification is registered with the Secretariat.

ARTICLE 15.

Subject to the provisions of Article 14, each Member which ratifies this Convention agrees to bring its provisions into operation not later than 1 July, 1922, and to take such action as may be necessary to make these provisions effective.

ARTICLE 16.

A Member which has ratified this Convention may denounce it after the expiration of five years from the date on which the Convention first comes into force, by an act communicated to the Secretary-General of the League of Nations for registration. Such denunciation shall not take effect until one year after the date on which it is registered with the Secretariat.

ARTICLE 17.

At least once in ten years, the Governing Body of the International Labour Office shall present to the General Conference a report on the working of this Convention, and shall consider the desirability of placing on the agenda of the Conference the question of its revision or modification.

ARTICLE 18.

The French and English texts of this Convention shall both be authentic.

APPENDIX III.

Draft Convention limiting working hours on board ship.

The General Conference of the International Labour Organisation of the League of Nations,

Having been convened at Genoa by the Governing Body of the International Labour Office on the 15th day of June 1920, and

Having decided upon the adoption of certain proposals with regard to the "Application to Seamen of the Convention drafted at Washington last November, limiting the hours of work in all industrial undertakings, including transport by sea, and, under conditions to be determined, transport by inland waterways to 8 hours in the day and 48 in the week. Consequential effects as regards manning and the regulations relating to accommodation and health on boardship," which is the first item in the agenda for the Genoa meeting of the Conference, and

Having determined that these proposals shall take the form of a draft International Convention, adopts the following draft Convention for ratification by the members of the International Labour Organisation, in

accordance with the Labour Part of the Treaty of Versailles of 28 June 1919, of the Treaty of St. Germain of 10 September 1919, of the Treaty of Neuilly of 27 November 1919, and of the Treaty of the Grand Trianon of 4 June 1920.

In view of the declaration in the Treaty of Versailles of 28 June 1919, that all industrial communities should endeavour to adopt, so far as their special circumstances will permit, an eight hours' day or a forty-eight hours' week, as the standard to be aimed at, where it has not already been attained, which declaration is hereby recognised as applying to seamen, the International Labour Conference adopts the following draft Convention.

Article 1.—For the purpose of this Convention,

(*a*) the term "working hours" shall include only effective working hours, that is to say, the time during which a person on board a vessel is engaged, under the orders of the master, outside of the quarters which serve as his accommodation on board the vessel;

(*b*) the term "vessel" includes all ships and boats, of any nature whatsoever engaged in maritime navigation, whether publicly or privately owned, and whether employed in commerce or for purposes of technical instruction or otherwise; it excludes ships of war; and

(*c*) each member of the International Labour Organisation will determine for itself what is maritime navigation as distinguished from inland navigation, and will communicate its determination to the International Labour Office.

Article 2.—The working hours of all persons, without distinction of nationality or race, employed on board any vessel, excluding masters and supervising officers who do not keep a watch, shall be limited either to eight hours in the day or to forty-eight hours in the week, or to a maximum not exceeding eight hours in the day or forty-eight hours in the week for periods of time other than a week, subject to the provisions and exceptions contained in the following articles.

Article 3.—On mechanically-propelled vessels of 2,000 tons gross and over, the working hours at sea shall not exceed 48 hours *per* week for all ratings. Work on Sunday shall be continued by the crew, who will receive compensatory rest or remuneration, unless extra hands have been shipped for the purpose of providing one day's rest in seven for the whole crew.

On these vessels, when in port, the working hours for all ratings shall not exceed forty-eight *per* week or a less number where already in force, subject to regulations which may be made in each country limiting the working hours on its own ships in port, provided that such regulations shall not allow more working hours than those fixed for industrial undertakings on shore by the draft Convention on hours of work adopted by the International Labour Conference at Washington in November 1919.

Overtime which may be ordered by the master on arrival and sailing days, or for other necessity, not including overtime ordered by reason of the circumstances described in paragraph (*a*) of article 8 of this Convention, shall not exceed fourteen hours *per* week or sixty hours *per* month ; and extra hours worked shall be paid for, or shall be compensated by time off.

On such vessels the three-watch system shall be maintained in the deck and engine-room departments, where the nature of the work is such as to require a system of work by watches.

Article 4.—The manner in which the principles laid down in this Convention for mechanically-propelled vessels of 2,000 tons gross and over are to be applied shall be determined by regulations made after consultation with organisations of shipowners and organisations of seamen in each country.

Article 5.—The regulations as to working hours on all classes of vessels other than those covered by article 3 shall be made after consultation with organisations of shipowners and organisations of seamen, and shall be on principles similar so far as circumstances will permit to the principles to be applied under article 3 to mechanically-propelled vessels of 2,000 tons gross and over.

Article 6.—Regulations as to the working hours of Indian seamen shall be made after consultation with organisations of shipowners and organisations of Indian seamen. These regulations shall provide for a reduction in the present working hours of Indian seamen.

Article 7.—The contract of engagement for service on any vessels shall in every case contain a statement of the hours to be worked, and such statement shall form an essential part of the contract.

The national law shall provide that seamen shall be able to sue the master or owner of the vessel for redress if this part of the contract is not carried out.

Article 8.—(*a*) The limit of working hours provided for in this Convention may be exceeded in the following circumstances, of which the master shall be the sole judge:—

(1) when the safety of the vessel, or of the life of any person on board, is threatened by fog, stranding, fire, or other emergency; or

(2) when it is necessary for the salvage of another vessel, or for the purpose of saving life.

(*b*) The limit of working hours provided for in this Convention may also be exceeded when, as a result of sickness or physical injury or *force majeure* during the course of the voyage, the crew of the ship has been reduced and cannot be completed immediately by the engagement of other seamen.

Article 9.—Any changes in accommodation which may result from additions to crews or increased manning scales following the reduction in hours as provided for in this Convention shall not diminish the hygienic protection of the seamen employed, and no derogation shall be made from the standards now established by law.

Each member which ratifies Convention shall communicate to the International Labour Office full information concerning the accommodation provided for seamen on its vessels.

Article 10.—The provisions of this Convention do not apply to persons employed as wireless operators.

The provisions of this Convention do not apply to persons employed as cattle-men.

Article 11.—Each member of the International Labour Organisation which ratifies this Convention agrees to make an annual report to the International Labour Office on the measures which it has taken to give effect to the provisions of this Convention, and these reports will be communicated by the International Labour Office to all other members of the International Labour Organisation.

Article 12.—Each member of the International Labour Organisation which ratifies this Convention engages to apply it to its colonies, protectorates, and possessions which are not fully self-governing—

(*a*) except where, owing to the local conditions, its provisions are inapplicable; or

(*b*) subject to such modifications as may be necessary to adapt its provisions to local conditions.

Each member shall notify to the International Labour Office the action taken in respect of each of its colonies, protectorates, and possessions which are not fully self-governing.

Article 13.— the formal ratifications of this Convention under the conditions set forth in part XIII of the Treaty of Versailles of 28 June 1919, of the Treaty of St. Germain of 10 September 1919, of the Treaty of Neuilly of 27 November 1919, and of the Treaty of the Grand Trianon of 4 June 1920 shall be communicated to the Secretary-General of the League of Nations for registration.

Article 14.—As soon as the ratifications of two members of the International Labour Organisation have been registered with the Secretariat the Secretary-General of the League of Nations shall so notify all the members of the International Labour Organisation.

Article 15.—This Convention shall come into force at the date on which such notification is issued by the Secretary-General of the League of Nations, but it shall then be binding only upon those members which have registered their ratifications with the Secretariat. Thereafter this Convention will come into force for any other member at the date on which its ratification is registered with the Secretariat.

Article 16.—Subject to the provisions of article 15, each member which ratifies this Convention agrees to bring its provisions into operation not later than one year after its ratification, and to take such action as may be necessary to make these provisions effective.

Article 17.—A member which has ratified this Convention may denounce it after the expiration of five years from the date on which the Convention first comes into force by an Act communicated to the Secretary-General of the League of Nations for registration. Such denunciation shall not take effect until one year after the date on which it is registered with the Secretariat.

APPENDIX IV.

Description of the organisations for the supply of seamen in the United Kingdom and Norway.

United Kingdom.

Special Employment Exchanges for seamen are not provided under the Labour Exchanges Act of 1909. Under this Act Labour Exchanges were established by the Board of Trade at various places in the United Kingdom for the purpose of registering persons seeking employment, and furnishing information to employers in regard to workpeople out of employment. The administration of these exchanges was taken over by the Ministry of Labour under the Ministries and Secretaries Act of 1917, and the exchanges are now known as Employment Exchanges. The staff of these exchanges is appointed by the Minister of Labour and their policy and procedure in carrying out the functions is controlled by the Minister of Labour. The Minister is, however, advised with regard to the administration of the exchanges by Local Employment Committees consisting of representatives of employers and workpeople in the district, with an independent chairman appointed by the Ministry. One of these committees exists in connection with each of the larger exchanges.

The Mercantile Marine Offices, established by the Board of Trade under Section 246 of the Merchant Shipping Act, 1894, are the only places at which seamen may be signed on for engagement on boardship. The Employment Exchanges do not, therefore, deal with seamen who require work in their capacity as seamen. The Employment Exchanges may, however, place a workman whose normal occupation is that of seaman in a vacancy of any other description notified to the exchange which he is willing to accept, and for which he would appear suitable.

In 1918 a system was set up for the supply of seamen under the joint control of the Shipowners' Association and the Seamen's Unions. A special joint-supply office was set up at each of the ports in the United Kingdom, these being under the control of the local officers of the Shipowners' Association and the Seamen's Unions. This joint-supply system was not under the control of the Government, but the Superintendent of the Mercantile Marine Office kept closely in touch with them and they were, as a rule, established at the Mercantile

Marine Office. The central organization at the head of this joint-supply system was the National Maritime Board created in its first form as an official committee by the Shipping Controller during the autumn of 1917.

We extract from the report of the work of this Board during the years 1917 and 1918, presented to Parliament by its Chairman, Mr. Leslie Wilson, who is also Parliamentary Secretary of the Ministry of Shipping, the following information. The National Maritime Board consisted of four panels: one for navigating officers, one for engineering officers, one for sailors and firemen, and one for the catering departments. Their chief object as regards the supply of sailors and firemen was—

(1) equal rights of registration and employment must be secured for all seamen; raw recruits to be registered as such;

(2) the shipowner shall have the right to select his own crew at any time through a jointly-controlled supply office; and

(3) the seamen shall have the right to select their ship.

The National Maritime Board included representatives of nearly all the important associations, chiefly the Imperial Merchant Service Guild, the National Sailors and Firemen's Union, the National Union of Ships' Stewards, Cooks, etc., the Marine Engineers' Associations and the Shipping Federation.

It was an integral part of the constitution of the Board that there should be set up District Boards for the purpose of dealing with local difficulties and a further devolution was provided by the appointment by the Shipping Federation and the Sailors' and Firemen's Union in all the principal ports of two officers known as port consultants, who were to act jointly in matters affecting personnel with which they were concerned. Their duties fell under two main heads, namely, those in connection with (1) the prevention and adjustment of disputes and grievances; and (2) the supply of seamen. On the first point their primary endeavour was to arrive at some decision, temporary or permanent, which would enable a vessel to sail without delay. It is impossible to exaggerate the importance of the work done by the port consultants.

Towards the end of 1919 facilities ceased to be provided by Mercantile Marine Offices for these joint-supply systems; in fact seamen now find employment, and ship

owners secure seamen merely through agencies outside the State Employment Offices, *i.e.*, outside the ordinary Employment Exchanges and the Mercantile Marine Office. Both seamen and shipowners were, however, completely satisfied with the results obtained by the joint-supply arrangement of the National Maritime Board. These arrangements worked almost perfectly, especially on the Thames, where there were four offices, and also in other ports. Elsewhere there were certain difficulties *e.g.*, the Liverpool shipowners were not members of the Shipping Federation; but these difficulties tended to disappear, and in the end the supply arrangement, as well as the services of the National Maritime Board, have given very satisfactory results. It was, therefore, decided to reconstitute the National Maritime Board on the lines of a Whitley Council.

"In the spring of 1919," writes Mr. Wilson, Parliamentary Secretary of the Ministry of Shipping, in his report to Parliament already mentioned, "it was the wish of the parties to the Board that they should resolve themselves into a Joint Industrial Council on the lines proposed in the report of the Whitley Committee. The constituent bodies on the employés' side of the Board had in the meantime agreed upon the formation of the Seafarers' Joint Council for the purpose of bringing about greater co-operation during the reconstruction following upon the war. On the employers' side the Liverpool Employers' Association, which, as already stated, was not a party to the Board, now expressed their willingness to take part in a Joint Industrial Council.

"The parties thereupon met to consider a constitution, but certain difficulties immediately appeared, notably the inclusion of masters within the purview of the new Council. This led to a suspension in the negotiations. The services of the new Ministry were sought with a view to overcoming the difficulties, and after much correspondence a further meeting of the parties was arranged under the auspices of the Ministry. At the request of both parties in November 1919, I acted as Chairman of the Committee appointed to consider the drafting of a constitution for the new Council. A provisional agreement was soon reached, and the first meeting of the new Council, consisting of five panels, each comprising 12 employers and 12 employees, took place on the 19th December 1919, when the constitution was formally approved and an agreement reached that the new Council should be constituted as from the 1st January 1920."

The constitution of the new National Maritime Board is almost identical with the old one as far as arrangements for the supply of seamen are concerned. These arrangements have given such satisfaction that the officers continue to function as actively, if not so officially, as under the former constitution. From the reports furnished to the International Labour Office by the Secretary of the National Maritime Board, in agreement with the employers' and workers' delegates, it appears that the system is yielding results quite satisfactory, whereas in London one can count on the good-will and complete co-operation of the associations concerned, and in many instances masters have expressed their very high appreciation of the services thus rendered.

During the first complete years of working, 1919, about 70,000 seamen were supplied to about 6,000 ships; of these more than 5,000 had been transferred from one port to another. The operations of these offices are distinguished by their simple and practical character. On the appointed date for the embarkation of the crew sailors of all kinds who desire to be engaged present themselves at the office; they are called in the order in which their names appear on the rolls, and are presented to the captain or his representative. The choice is free on both sides. The master only takes the men who suit him and sailors refuse, if they please, to embark on any particular vessel. Once agreement is arrived at, necessary endorsements are made on their papers, the articles of agreement are read over to them, the necessary signatures are made at the office, and the crew is ready. If any sailors of the kind required are missing the sailors' clubs or hostels in the locality are telephoned to or, if necessary, other districts are telegraphed to so as to obtain the men necessary. Sailors going from one district to another are paid their travelling expenses.

In principle the offices of the National Maritime Board deal only with seamen on British vessels, but in fact they do not refuse to supply foreign vessels. They are also concerned in supplying crews to British ships abroad, and travelling expenses are advanced to the men in such cases. All these operations are carried out under the supervision of the port consultants, whose long experience in working together leads them to reasonable and practical solutions of all difficulties.

Finally, it should be noted that the services are free for shipowners as well as for seamen. The expenses of these joint-supply offices are divided equally between the employers' associations and the workmen's.

Norway.

In Norway the system of finding employment for seamen forms part of the national system of labour registries which exists in that country. In the big seaport towns (Kristiania, Drammen, Bergen, and Trondhjem) special sections have been established in the public exchanges to deal with the employment of seamen under a specially qualified staff. Circumstances, however, have caused the activities of these exchanges to consist not only of the usual function of labour registries, *viz.*, that of bringing employer and employé together, but also of additional functions which have assumed the character of actual engagement of seamen for service at sea. Everything necessary in connection with the signing on of seamen is undertaken, *e. g.*, the offices issue contracts for the parties to sign, make all arrangements in connection with signing on, advance wages, if necessary, pay travelling expenses to the harbour, furnish pass ports, etc. No fees are charged to either employers or public. Wages, travelling expenses, etc., are repaid by the owners of the ship. In these special sections the Board of Control, consisting at each office of employers' and workpeoples' representatives contains a representative of shipowners and seamen. At other exchanges the placing of seamen forms part of the ordinary work of the section for male employment. About one-fifth of the total activities of the Norwegian exchanges is in connection with seamen as the following figures for the last four years show:—

	Registration	Vacancies notified.	Vacancies filled.
1916—			
Seamen	16,199	11,703	9,030
All occupations	62,305	63,548	44,520
1917—			
Seamen	16,860	8,545	7,285
All occupations	65,808	62,140	45,008
1918—			
Seamen	18,916	6,418	5,662
All occupations	83,961	62,664	44,956
1919—			
Seamen	27,800	11,329	9,842
All occupations	1,00,107	63,037	47,886

In addition, however, the exchanges endeavour to provide work for seamen ashore where this is wanted. The figures for this class are not included in the above table, and amounted to 2,525 in 1917, 2,635 in 1918, and 2,202 in 1919.

In Kristiania the special department for seamen was established in May 1911, and by degrees met with such success among shipowners and other bodies interested that the bureau now undertakes practically all the employment of seamen and ship's officers in Kristiania and neighbourhood.

It will thus be seen that it is very similar to the British system whereby the whole supply of seamen is concentrated in the hands of one authority. The law does not establish any direct connection between the Employment Exchanges and the special institutions for controlling the engagement of seamen. The exchange co-operates with the special engagement office in such a manner that the staff of the exchange assist crews with the formalities, etc., of signing on.

Private bureaux—26 in number—still exist in Norway which are permitted to carry on the business of engaging seamen, but, the work is very small as the work is gradually coming into the hands of the public bureaux, and new permits are granted by local authorities.

No. 981/119.

Chamber of Commerce,
Bombay, 12th May 1921.

The Deputy Secretary to Government,
Marine Department, Bombay.

Sir,—I am directed to acknowledge receipt of your letter, No. 436, dated the 5th March 1921, and its accompaniments, upon the subject of the Draft Conventions and Recommendations concerning employment at sea adopted by the General Conference of the International Labour Organisation at its second session held at Genoa from the 15th June to the 10th July 1920.

2. In the letter in question the views of my Committee are invited not only upon the Draft Conventions and Recommendations adopted by the Conference but also upon certain remarks on the same offered by the Government of India, in the Department of Commerce, in a letter, No. 16, dated the 4th January 1921, addressed to your Department. I am accordingly to refer to the

various Draft Conventions and Recommendations in the order in which they are dealt with in Mr. Innes' letter and, in the first instance, to the question of the limitation of hours of work, the only item upon the agenda before the Conference in regard to which no definite agreement was reached.

3. *The limitation of hours of work.*—Although my Committee observe that the Government of India are disposed to postpone their final decision as to the action which should be taken in the direction of hours of labour in India until a settlement has reducing been arrived at in Great Britain, they are of opinion that it is desirable to state at the outset that it is by no means clear whether the men themselves desire any alteration in existing conditions. In any case my Committee trust that, if Government decide eventually that legislation is required in the interests of the lascar seamen themselves, every aspect of the case will be most carefully examined before any action is taken. The crew capacity of a vessel is, of necessity, only sufficient for the men required to handle her in an efficient manner—not underhandle her—and if, as the result of the action contemplated, the payment of overtime wages for the efficient working of vessels becomes necessary such action will meet with the most determined opposition on the part of my Committee and the shipping interests generally. Further my Committee consider that no steps should be taken which will in any way differentiate between what are known as *country* craft and organised Navigation Companies to the detriment of the latter. At the same time my Committee cannot see how any legislation in the above direction can be introduced without the Companies in question being so affected.

4. The four recommendations adopted by the Conference, and in regard to which the views of my Committee are invited, are :—

(a) *Recommendation concerning the limitation of hours of work in the Fishing Industry.*—My Committee are of opinion that any action under this head is impracticable having regard to existing conditions.

(b) *Recommendation concerning the limitation of hours of work in Inland Navigation.*—My Committee are of opinion that the representatives of the Shipping Companies engaged in the trade, the majority of whose head offices are located in Calcutta and Rangoon, are most qualified to comment on this recommendation.

(c) *Recommendation concerning the establishment of a National Seamen's Code.*—My Committee observe that the Government of India do not think it necessary at present to consider the establishment of such a Code. While my Committee concur in this view, they desire to emphasize the importance of the fact that no Code applicable to seamen of European countries can be considered capable of application equally in the case of Lascar seamen and for that reason they are opposed to the institution of any International Code relating to the rights and obligations of seamen in general.

(d) *Recommendation concerning unemployment insurance for seamen.*—My Committee concur in the view that the question of unemployment among Indian seamen is not at present one of practical importance and that it would be premature even to consider the question of establishing a system of insurance against unemployment.

5. The draft conventions adopted by the Conference are three in number, namely :—

(a) *Draft Convention fixing the minimum age for the admission of children to employment at sea at 14 years.*—

My Committee note the conditions under which the Government are disposed to ratify this draft convention and while they are of opinion that the existing age limits for deck hands and engine room crews, considered in conjunction with the regulations prescribing the degree of supervision to be exercised by Shipping Masters in regard to physique, etc., are sufficient in existing circumstances, my Committee have no objection to the draft convention being ratified on the terms prescribed. At the same time my Committee consider it essential that the understanding upon which Government are disposed to ratify the convention should be strictly adhered to as the carriage of small boys, relatives of the serangs and tindals, has not led, in their experience, to any ill-effects. It is important that no legislation should be introduced with the object of stopping such a practice as any interference with so established a custom would be resented by the men themselves.

(b) *Draft Convention concerning unemployment indemnity in case of loss or foundering of the ship.*—As the Government of India observe in their letter under reference, the law on this subject in India is contained in Section 21 of the Indian Merchant Shipping Act, 1859, which provides that the seamen's legal right to wages terminates from

the date of the wreck or loss of the ship on which he is employed. In practice, however, so far as Indian seamen are concerned, my Committee understand that shipowners usually pay seamen, in such cases, up to the date of their return to their port of engagement and my Committee consider that the existing law should be so amended as to make such a practice compulsory. The payment, however, of an indemnity against unemployment in this connection is, my Committee consider, both unnecessary and undesirable as the Indian seamen on their return to their original port, almost invariably leave at once for their homes in their mofussil in order to spend their accumulated wages and remain there until such time as they find it necessary to look for further employment.

(c) *Draft Convention for establishing facilities for finding employment for seamen.*—My Committee are of opinion that the establishment of a system better suited to local needs than the one already in existence will present insuperable difficulties. The Shipping Brokers employed at present have their agencies in the districts whence the men are drawn. Such districts are often very remote from the ports of engagement and the men are accustomed to rely upon the broker's notification as to the most suitable time for them to return in order to sign on. No fees of any kind are paid by the men themselves and the question of " crimping " and other abuses in the form in which they are so prevalent in European waters do not therefore arise.

The only alternative to the present system is to be found in the institution of Government Labour Bureaux at the chief shipping centres. Such a system, however, would merely entail expense to the men while awaiting problematical employment and would lead to further congestion in the cities in which the Bureaux were located. In this connection, however, my Committee advocate the establishment of homes in Bombay for lascar seamen. In some cases it happens of necessity that seamen are summoned from their homes several days before their vessels are ready for them and it is important that due provision should be made for their housing under such circumstances. Such homes would also provide a resting place for the men during the short periods which may supervene between the date on which they are paid off and their departure for the mofussil.—I have etc.,

H. ROYAL,
for Secretary.

APPENDIX O-3.

RECRUITMENT OF SEAMEN AT DIFFERENT INDIAN PORTS.

No. 163-M.

Marine Department, Fort,
Bombay, 16th November 1921.

The Secretary, Chamber of Commerce,
Bombay.

Subject:—Appointment of a Committee to enquire into the present methods of recruitment of seamen at the different Indian ports.

Sir,— I am directed by the Governor in Council to say that the Government of India have decided to appoint a small Committee to enquire into the present methods of recruitment of seamen at the different Indian ports. The Government of India desire to appoint on the Committee among others, one representative of shipowners at Bombay. I am accordingly to request that the Bombay Chamber of Commerce may be asked to nominate a member from among the shipowners to serve on the Committee and to report his name to Government.

2. As it is proposed that the Committee should start work in December next the Government of Bombay would be glad to be favoured with an early reply to this letter.—I have etc.

S. N. ZIMAN,
Deputy Secretary to the Government of Bombay.

No. 2158-274

Chamber of Commerce,
Bombay, 2nd December 1921.

The Deputy Secretary to Goverment,
Marine Department, Bombay.

Sir,— I am directed to acknowledge receipt of your letter, No. 163-M., dated the 16th November 1921, with regard to the appointment of a Committee to enquire

into the present methods of recruitment of seamen at the different Indian ports and in reply to state that my Committee desire to nominate Mr. F. Barnett, Marine Superintendent of the Bombay and Persia Steam Navigation Co, Ltd., and Arab Steamers, Ltd., to serve as the representative of the Chamber upon the Committee in question.

2. Mr. Barnett's address is—c/o Messrs Turner Morrison & Co, Ltd., Church Gate Street, Fort, Bombay.

I have etc.,
C. B. SAYER,
Secretary.

No. 163-M.

Marine Department, Fort,
Bombay, 28th December 1921.

The Secretary, Chamber of Commerce,
Bombay.

Subject :—Appointment of a Committee to enquire into the present methods of recruitment of seamen at the different Indian ports.

Sir,—With reference to the correspondence ending with your letter No. 2158, dated the 2nd December 1921, I am directed by the Governor in Council to say that the Government of India have intimated that in view of the fact that the Legislative Session is expected to occupy the whole of the next two or three months it will not be possible for any member of the Legislative Assembly to take part in the investigation of the committee in Bombay. They have therefore decided that the preliminary investigation in Bombay should be conducted by Mr. Clow accompanied by the shipowners and the Seamen's representative. Mr. Clow will reach Bombay to commence work on the 9th of January and will remain for a week or ten days. I am accordingly to request that you will be so good as to ask Mr. Barnett to see Mr. Clow at the New Custom House, Ballard Road, at 10 o'clock on the morning of Monday the 9th January 1922.— I have etc.

J. C. KER,
Secretary to the Government of Bombay.

APPENDIX O-4.

EMPIRE SEA COMMUNICATIONS.

No. 1577-20

Allahabad Bank Buildings,
6, Royal Exchange Place,
Calcutta, 5th January, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir—I am directed by the Board of Trade to state that the Imperial Shipping Committee has been appointed recently to investigate matters connected with the development and improvement of the sea communications between the different parts of the Empire and I have further been asked by that Department to forward any suggestions as to the improvement of the steamship services between India and the United Kingdom which may call for consideration.

I enclose a copy of the instrument of appointment of the Committee and shall be glad to receive the views and suggestions of your Chamber so that they may receive consideration by the Committee.— I am, etc.,

THOMAS M. AINSCOUGH,
H. M. Senior Trade Commissioner.

Instrument of Appointment of the Imperial Shipping Committee.

Whereas the Imperial War Conference, 1918, passed on the 26th July, 1918, the following resolution:—

1. That in order to maintain satisfactorily the connections and at the same time encourage commercial and industrial relations, between the different countries of the British Empire, this Conference is of opinion that shipping on the principal routes, especially between the heart of the Empire and the Overseas Dominions, including India should be brought under review by an inter-Imperial Board on which the United Kingdom and the British Dominions and Dependencies should be represented.

2. That for this purpose an Imperial Investigation Board, representing the various parts of the Empire, be appointed, with power to enquire into and report on all matters connected with ocean freights and facilities, and all matters connected with the development and improvement of the sea communications between the different parts of the Empire, with special reference to the size and type of ships, and the capacities of harbours; the Board to include, in addition to representatives of the Governments concerned, persons with expert knowledge of the problems involved, including representaives of the shipping and trading interests;

And whereas it has been represented to me, the Right Honourable David Lloyd George, Prime Minister and First Lord of the Treasury, by the Secretary of State for the Colonies after consultation with the Government of the Dominion of Canada, of the Commonwealth of Australia, of the Dominion of New Zealand, of the Union of South Africa and of Newfoundland, by the Secretary of State for India and by the President of the Board of Trade that it is now desirable that a Committee should be appointed under the title of the Imperial Shipping Committee, with the following functions. viz:—

(i) To enquire into complaints from persons and bodies interested with regard to ocean freights, facilities and conditions in the inter-Imperial trade or questions of a similar nature referred to them by any of the nominating authorities, and to report their conclusions to the Governments concerned.

(ii) To survey the facilities for maritime transport on such routes as appear to them to be necessary for trade within the Empire, and to make recommendations to the proper authority for the co-ordination and improvement of such facilities with regard to the type, size and speed of ships, depths of water in docks and channels, construction of harbour works and similar matters.

Now I, therefore, do hereby appoint the following persons to form the Imperial Shipping Committee and to exercise the functions hereinbefore set forth:—

Sir H. J. Mackinder, M. P. (Chairman).

Sir A. H. D. Ramsay-Steel-Maitland, Bart, M. P. nominated by the Secretary of State for the Colonies.

Sir W. S. Meyer, G. C. I. E., K. C. S. I., nominated by the Secretary of State for India in Council.

Sir Hubert Llewellyn Smith, G. C. B., nominated by the Board of Trade.

Hon. Sir George H. Perley, K. C. M. G., nominated by the Government of the Dominion of Canada.

Mr. H. B. G. Larkin, nominated by the Government of the Commonwealth of Australia.

The High Commissioner for New Zealand nominated by the Government of the Dominion of New Zealand.

Captain G. Bowden, M. C., nominated by the Government of Union of South Africa.

Hon. Sir Edgar R. Bowring, nominated by the Government of Newfoundland.

Sir Kenneth Anderson, Bart., K. C. M. G.
Sir Alfred Booth, Bart.,
Mr. W. Lionel Hichens.
Mr. Kenneth Lee.
Mr. J. W. Murray.
} being persons experienced in shipping and commerce.

I further appoint Mr. E. J. Elliot of the Board of Trade to be Secretary to the said Committee.

(Sd.)—D. LLOYD GEORGE.

June 15, 1920.

No. 176-43.

Chamber of Commerce,
Bombay, 19th January 1921.

H. M. Senior Trade Commissioner in India,
P. O. Box No. 683, Calcutta.

Dear Sir,— I am directed to acknowledge receipt of your letter, No. 1577-20, dated the 5th January 1921, and enclosure, and in reply to state that my Committee have no grievances in the matter of communication with the United Kingdom except such as are inevitable in the present state of trade generally. I am accordingly to state that my Committee do not desire, in the circumstances, to lay any statement of their views before the Imperial Shipping Committee.— I am etc.

C. B. SAYER,
Secretary.

APPENDIX P-I.

"RECEIVED FOR SHIPMENT" BILLS OF LADING.

Manchester Association of Importers and Exporters,
44, Spring Gardens,
Manchester, January 5, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—I beg to enclose you a summary of a Judgment delivered by the Privy Council, which may be of use to your members.—Yours faithfully,

JAS S. McCONECHY,
Joint Hon. Secretary.

JUDGMENT OF THE PRIVY COUNCIL.

In regard to Bills of Lading commencing with the words: "Received in apparent good order and condition from. . . . . for shipment" instead of the old form: "Shipped on board."

This was an appeal from the Supreme Court of New South Wales to the Privy Council, and Judgment was delivered on December 16, 1920. The case was: "Marlborough Hill" *v.* Alexander Cowan & Sons, Ltd., and others, and the appeal was tried before Viscount Cave, Lord Dunedin, Lord Moulton and Lord Phillimore.

The Judgment of their Lordships was delivered by Lord Phillimore, in which he said:—

"The first point on behalf of the appellant is that this purports to be a claim by the assignee of a bill of lading, and that the shipping instrument on which reliance is placed is not a bill of lading. . . . . The old form starts with a statement or acknowledgment that the goods have been shipped. It runs 'shipped on board,' etc. But this document runs 'received in apparent good order and condition from . . . . . for shipment.' . . . . . shipping instruments which are called bills of lading, and know in the commercial world as such, are sometimes framed in the alternative form 'received for shipment' instead of 'shipped on board' . . . . . It is contended, however, that such shipping instruments, whatever they may be called

in commerce or by men of business, are nevertheless not bills of lading within the Bills of Lading Act of 1885, and it is said therefore not bills of lading within the meaning of the Admiralty Court Act, 1861. . . . . *Their Lordships are not disposed to take so narrow a view of a commercial document.* . . . . . The two forms of bill of lading may well stand, as their Lordships understand that they stand, together. The older is still in the more appropriate language, for whole cargoes delivered and taken on board in bulk; whereas 'received for shipment' is the proper phrase for the practical businesslike way of treating parcels of cargo to be placed in a general ship which will be lying alongside the wharf taking in cargo for several days, and whose proper stowage will require that certain bulkier or heavier parcels shall be placed on board first, while others, though they have arrived earlier wait for the convenient place and time of stowage. . . . . Both parties have agreed to call this a bill of lading . . . . . Their Lordships conclude that it is a bill of lading within the meaning of the Admiralty Court Act, 1861."

APPENDIX P--2

BILLS OF LADING.

LIMITATION OF SHIPOWNER'S LIABILITY.

No. 221 Ac.

The Associated Chambers of Commerce
of India and Ceylon, Royal Exchange.

Calcutta 27th January, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Bills of Lading.—Question of the limitation of shipowners' liability.

Dear Sir,—I am instructed to invite your urgent attention to the attached letter, dated 20th January 1921 (with its enclosure), from the Secretary to the Government of India, Dapartment of Commerce, on this question.

2. I am to ask for the favour of a very expression of the opinion of your Chamber on the question, for, as you will observe, the Government of India wish to have a prompt reply. The papers were submitted to the Conference, but in view of the great importance of the question the delegates felt that they would like to be able to consult their Chambers before dealing with it.—Yours faithfully,

H. M. HAYWOOD,
Secretary,

Delhi, the 20th January 1921.

From—The Secretary to the Government of India,
Department of Commerce.

To—The President, Bengal Chamber of Commerce.

On the 3rd of September last we published a press communique regarding the Imperial Shipping Committee. This Committee is devoting special at the present moment to the question of the limitation of shipowners' liability by clauses in bills of lading. The enclosed extract from a report by the Dominions Royal Commission states the case. The Committee has asked for our views particularly on the suggestion that uniform legislation on the lines of the United States of America Harter Act should be passed throughout the Empire. The matter is urgent, and the Secretary of State has asked us to let him have a reply by the end of this month. The most expeditious way that I can think of getting an expression of business opinion on this subject is to appeal to you. Do you think that you could place this extract before the meeting of the Associated Chambers of Commerce and give us the views of the Associated Chambers by the end of this month? Even a merely provisional statement of views will be of great assistance. I am very sorry to have to hustle you.

DOMINIONS ROYAL COMMISSION.

FINAL REPORT.

Bills of Lading.

595. Lastly, we revert to the question of bills of lading to which we alluded in our Second, Fourth and Fifth Interim Reports. We there described the view which we found to be largely prevalent amongst the mercantile community of Australia, New Zealand, Newfoundland and Canada, namely, that shipowners in the United

Kingdom endeavour in their bills of lading to contract themselves out of liability for loss or damage in respect of the goods which they carry, particularly from the United Kingdom to the self-governing Dominions, to an extent unfair in itself, and not now permissible under the legislation in force in the United States of America and in various parts of the British Empire.

596. In our consideration of this question we have studied the views tendered in evidence by shipowners as well as by shippers, and we have also had the opportunity of considering the discussion on the question which took place at the conference on Merchant Shipping Legislation in 1907 between representatives of the United Kingdom, Australia, and New Zealand.

597. We may state shortly what we conceive to be the present position of affaris—

(1) It is not in dispute that under the Common Law of England, and in the absence of contractual provisions to the contrary, shipowners have to carry and deliver goods in safety and are answerable for all loss and damage which may happen while the goods are in their hands as carriers, subject to certain excepted points, such as loss from "act of God" or "perils of the sea,"

(2) It is admitted also that until a comparatively recent date shipowners generally accepted these liabilities and did not attempt to contract themselves out of them. But some 40 years ago it was discovered that the underwriters with whom shippers had insured could, in case of loss, take assignment of shippers' rights under their bills of lading and recover against shipowners. This led to a change of practice, and shipowners now endeavour to contract themselves out of liability in all save a very few contingencies.

(3) Under the Harter Act of the United States of America it is not lawful to insert in any bill of lading any clause relieving the owner or master of a vessel conveying merchandise from or between ports of the United States and foreign ports from liability for loss or damage arising from negligence, fault, or failure in proper loading, stowage, custody, care or

proper delivery of merchandise. Legislation on similar lines has been passed in Canada, in the Commonwealth of Australia, and in New Zealand.

598. We have found practically unanimous opposition on the part of shipowners to legislation of this kind. On the other hand, we have found in all the self-governing Dominions a consensus of opinion in favour of it. There is also a large body of commercial opinion in the United Kingdom in the same direction.

599. It is difficult to see that legislation on the lines of the Harter Act can constitute an injustice to sea carriers. It would rather appear to be a protection to the better class of shipowners. It was stated in evidence by the Chairman of the Australasian Section of the London Chamber of Commerce and again by the representative of the Liverpool Steamship Owners' Association that the better class of shipowners pay for damage caused by the negligence of their servants in the handling and stowage of cargo where a reasonable claim is established by the shipper, even apart from legislation. If that is so, legislation would only impose on these shipowners a liability which is now in practice admitted, while it would also protect them against the competition of less reasonable owners who take full advantage of the freedom from liability given by existing bills of lading.

600. It can scarcely even be urged that legislation on the lines of the Harter Act would be of inconvenience to United Kingdom shipowners, because their representative has assured us that the negligence clause in that Act, which is the basis of the legislation asked for by the shippers is perfectly fair and reasonable, and that the inconvenience of it, if any, has been so small that it has not raised freight from the United Kingdom of America. Similarly we learned in Canada that the Canadian legislation has had no adverse effect on business.

601. It is urged on behalf of the shipowners that nothing should be done which would handicap British shipping in competition with foreign shipping. It must be pointed out in reply to this contention that the largest German Shipping Companies, as the outcome of agreement between them and the shippers, adopted before the war a bill of lading under which the shipper is protected against the negligence of the shipowners' servants in the stowage, preservation, treatment, and delivery of cargo

and under which the shipowner is responsible for seeing that at the beginning of the voyage the ship is properly fitted, equipped, manned, and provisioned, in a seaworthy condition, and capable of undertaking the intended voyage except as regards defects that could not have been discovered by the exercise of ordinary care. Moreover, the Norwegian Shipping Law makes the shipowner responsible for all loss or damage sustained by the goods carried, from the time of their receipt until their delivery, unless it is shown that damage or loss was caused by the act of God, &c., or resulted from the nature or packing of the goods.

602. The maintenance of the doctrine of freedom of contract is, no doubt, important, but the preservation of the rule that the contractor should be responsible for the negligence of his servants is, from an economic point of view, also important. We think that this rule should be established generally, and that it should be dealt with apart from the proposals which we have outlined above in regard to shipping freights. It is a rule of law, now defeated by agreement to which one side claims to be an unwilling party, and it should be established securely and permanently.

603. We recommend, therefore, that legislation on the lines of the Harter Act should be passed in the United Kingdom, and we think that similar legislation should take effect in the Union of South Africa and in Newfoundland.

No. 288-77

Chamber of Commerce,
Bombay, 2nd February 1921.

The Secretary,
Associated Chambers of Commerce
of India and Ceylon, Royal Exchange,
Calcutta.

Dear Sir,—I am directed to acknowledge receipt of your letter, No. 221-A. C., of the 27th January 1921 regarding the question of the limitation of shipowners' liability by clauses in bills of lading. In reply I am to state that my Committee would welcome the adoption of uniform legislation throughout the Empire on the lines of the United States of America Harter Act.—Yours faithfully,

H. ROYAL,
for Secretary.

Telegram No. 1098 dated the 5th February 1921.

From, The Government of India,
Commerce Department, Delhi.

To, Chamber of Commerce,
Bombay.

Understand that Bengal Chamber has sent you for early opinion papers regarding limitation of shipowners' liability by Clauses in Bills of Lading and proposal for uniform legislation throughout Empire on lines of United States of America Harter Act. Government of India would be obliged if your Chamber would send their views direct as soon as possible.

Telegram No. 302-77 dated the 7th February 1921.

From, Chamber of Commerce,
Bombay.

To, Government of India,
Commerce Department, Delhi.

Reply your telegram 1098, fifth, this Chamber would welcome adoption of uniform legislation throughout Empire on lines of United States of America Harter Act.

No. 327-77.

Chamber of Commerce,
Bombay, 8th February 1921.

The Secretary to the Government of India,
Commerce Department,
Delhi.

Sir,—I have the honour to acknowledge receipt of your telegram, dated 5th instant reading as under:-

1098. Understand that Bengal Chamber has sent you for early opinion papers regarding limitation of shipowners liability by clauses in bills of lading and proposal for uniform legislation throughout Empire on lines of United States of America Harter Act. Government of

India would be obliged if your Chamber would send their views direct as soon as possible,

and to confirm the following reply:—

Reply your telegram 1098, fifth, this Chamber would welcome adoption of uniform legislation throughout Empire on lines of United States of America Harter Act.—I have etc.,

C. B. SAYER,
Secretary.

No. 537-A. C.

The Associated Chambers of Commerce
of India and Ceylon, Royal Exchange,
Calcutta, 5th March 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—Adverting to my letter No.220-232 dated 27th January 1921, I am directed to say that the members of the Association have now expressed their approval of the suggestion that legislation on the lines of the American Harter Act should be adopted throughout the British Empire. I have accordingly telegraphed to this effect to the Secretary to the Government of India in the Department of Commerce with reference to his letter of the 20th January.—Yours faithfully,

H. M. HAYWOOD,
Secretary.

Telegram dated the 1st April 1921.

From, East India Grain and Oil Seed Shippers'
Association, London.

To, Chamber of Commerce,
Bombay.

Meeting held Baltic Exchange 15th March, following Associations present, East Indian Grain and Oilseed Shippers; Incorporated Oilseed; London Shellac Trade, London Jute; London Corn Trade; Liverpool Corn Trade; Liverpool Cotton; United Kingdom Jute Goods; Indian Tea, London; Saltpetre and Rice Trade; British

Bankers; unanimously resolved telegraph Indian Chambers of Commerce that above Associations urge legislation following lines Harter Act and protest against rebates system as deterrent to trade.

No. 849-77.

Chamber of Commerce,
Bombay, 23rd April 1921.

The Secretary,
The Associated Chambers of Commerce
of India and Ceylon, Royal Exchange,
Calcutta.

Dear Sir,—With further reference to the correspondence resting with your letter, No. 537-A. C., dated the 5th March 1921, on the subject of the limitation of ship-owners' liability under Bills of Lading I am directed to state that my Committee have received a telegram, copy attached, from certain Commercial Associations in London in the same connection and to add that my Committee are in complete agreement with the views expressed therein.—Yours faithfully,

C. B. SAYER,
Secretary.

The East Indian Grain and Oilseed
Shippers Association of London,
Exchange Chambers, St. Mary Axe, E. C. 3
London, 7th April 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—I beg to confirm my telegram of 1st instant as follows:—

"Meeting held Baltic Exchange 15th March, following "Associations present, East Indian Grain and Oilseed "Shippers; Incorporated Oil Seed; London Shellac "Trade; London Jute; London Corn Trade; Liverpool "Corn Trade; Liverpool Cotton; United Kingdom Jute "Goods; Indian Tea (London); Saltpetre and Rice "Trade; British Bankers; unanimously resolved "telegraph Indian Chambers of Commerce that above "Associations urge legislation following lines Harter Act "and protest against rebates system as deterrent to trade."

The Meeting was convened to consider a proposed conference which, it was suggested, should take place between some of these Associations and certain Shipowners to discuss the Indian Homeward Bill of Lading but as it was reported that the Imperial Shipping Committee had already been enquiring into the matter it was unanimously agreed inter alia :—

Firstly,—That the Imperial Shipping Committee be asked to convene a conference of Bankers, Traders and Shipowners to draw up a uniform Bill of Lading for Indian Homeward Trade.

Secondly,—That representations should be made to the Imperial Shipping Committee pointing out the necessity for legislation in the United Kingdom and India following the lines of the "Harter" Act.

Thirdly,—A protest should be sent to the Imperial Shipping Committee against the system of rebates which prevents healthy competition and so acts against the interests of trade.

I am directed to draw your attention to the enclosed notes which give fuller particulars of the proceedings of the Meeting and to state that those present are ascertained to be fully empowered to act on behalf of their respective Associations.

It is expected that the Resolution will be considered by the Imperial Shipping Committee at an early date.—I am, etc.,

C. E. LYNCH,
Secretary.

Indian Homeward Bill of Lading.

A Meeting was held in Arbitration Room A. of The Baltic Mercantile & Shipping Exchange, London, E. C. 3 on Tuesday 15th March 1921 when the following appointed delegates of Associations &c., were present viz :—

Sir Stephen Demetriadi, K. B. E. representing the East Indian Grain & Oilseed Shipping Association of London.

Mr. N. B. Foster representing the Incorporated Oilseed Association.

Mr. F. Belfield representing the London Shellac Trade Association.

Mr. J. C. Duffus representing the London Jute Association.

Mr. E. A. Baker representing the London Corn Trade Association.

Mr. Hamilton Clements representing The Liverpool Corn Trade Association Ltd.

Mr. T. H. Fraser representing The British Bankers' Association.

Mr. P. J. Calvocoressi representing the Liverpool Cotton Association Ltd.

Mr. D. D. Bryson representing the United Kingdom Jute Goods Association Ltd.

Mr. T. McMorran representing the Indian Tea Association (London).

Mr. Wimble representing Saltpetre & Rice interests.

Mr. D. T. Chadwick, Govt. of India Trade Commissioner.

Mr. W. F. Burgett (The London Corn Trade Association) Messrs. Thorpe & Pedersen (The East Indian Grain & Oilseed Shippers Association) Mr. E. Henry (London Jute Association) Mr. C. G. Nomico (Messrs. Ralli Bros. Manchester) and Mr. Jackson (Messrs. A. M. Jackson & Co., Hull) were also present.

Sir Stephen Demetriadi, K. B. E. (Messrs. Ralli Bros.) Chairman of The East Indian Grain & Oilseed Shippers Association of London explained in detail what had led up to the present position, viz: that early in the year 1920 the "Anchor" & "Hall" Lines had sent advance copies of a new Form of B-L., for the Indian Homeward Trade, to two of the principal shippers of East Indian Grain & Oilseed who brought the matter to the notice of their Association. That Association unanimously decided to resist the introduction of this new form and invited interested Associations &c., to collaborate. A Joint Committee appointed by the British Bankers Association, The London Shellac Trade Association, The London Jute Association, London Corn Trade Association, The Incorporated Oil Seed Association and the E. I. Grain & Oilseed Shippers Association of London accordingly carefully examined the whole document and reported to the "Anchor" & "Hall" Lines that it could not be accepted, being unsuitable and inapplicable to the Indian Homeward Trade and insisted upon the desirability of the re-instatement of the pre-war Form of B.-L. In reply the "Anchor" & "Hall" Lines

maintained their intention to introduce the new Form but stated that they were prepared to consider any individual clauses deemed objectionable. The Joint Committee drew attention, in their reply, to the difficulties which would ensue from an endeavour to effect an understanding by correspondence and expressed the desire that the Shipping Companies should agree to confer with this Joint Committee on the points at issue in order to arrive at a decision satisfactory to all concerned without delay. The "Anchor" & "Hall" lines replied on the 29th and 30th April respectively that an answer would be sent in due course. Nothing further however transpired until 30th November when the objectionable Form, with more onerous conditions, was again submitted on behalf of 5 Shipping Lines (including "Anchor" & "Hall"). The interested Associations again agreed not to accept the Form and referred to their offer of a conference. On 31st January this year Shipowners wrote agreeing to confer with a Committee of Traders. It was for the purpose of considering the position arising out of the reply from the 5 Shipping Companies that the present Meeting had been convened.

On the proposition of Mr. Duffus seconded by Mr. Belfield, Sir Stephen Demotriadi was unanimously voted to the Chair.

The Chairman expressed the opinion that the position had altered since the offer was made to confer with the Shipowners as the Imperial Shipping Committee which had come into existence in June 1920 considering the whole matter and the Banks had given evidence before that Committee. In the circumstances the Chairman suggested firstly that the present Meeting should consider whether it would not be desirable to ask the Imperial Shipping Committee to arrange a conference (as already requested by the British Bankers' Association) between Shipowners, Bankers and Traders to agree upon a Form of B/L. for the Indian Homeward Trade and to reply to the Steamship Companies in this sense: Secondly that legislation should be strongly advocated both in this country and in India on the lines of the "Harter" Act and thirdly that freight rebates should be abolished.

The Chairman said he understood that Acts similar to the Harter Act had been introduced in Canada, Australia and New Zealand and had been strongly recommended to South Africa and Newfoundland.

Mr. Duffus and Mr. McMorran supported the Chairman's proposal (Mr. Duffus urged that the pre-war B/L. should be revived as a basis for discussion of a uniform B/L. and Mr. McMorran intimated that although his Association had a contract still to run for one year with Shipowners he was pleased to support the Chairman's proposal as the interests of this Association in this matter were identical with those of the other Associations represented at the Meeting). Several other delegates having spoken, the three points of the Chairman's proposal were unanimously approved and adopted and it was resolved that the Chairman should bring this decision before the Imperial Shipping Committee and that Dr. Jackson should be the legal adviser of the various Associations now acting jointly. It was agreed that all reasonable expenses incurred in connection with this matter should be borne equally by the various Associations.

Mr. Chadwick promised to telegraph the Resolution of the Meeting to the Indian Government and to report it to Sir William Meyer (the High Commissioner for India). The Meeting further agreed that the same should also be telegraphed to the Chambers of Commerce in India and should be sent to the London Chamber of Commerce (Indian Section); also that the Members present should cable to their representatives in India in the same sense.

The Chairman having enquired if all present were fully empowered to act on behalf of their respective Associations it was elicited that most of the delegates had such powers. The remaining delegates tentatively agreed on behalf of their Associations and would obtain formal consent which would be sent to the Secretary (Mr. C. E. Lynch, 24 St. Mary Axe, E. C. 3).

Mr. Henry suggested the desirability of appointing a deputation to act if required and it was unanimously agreed to appoint:

Sir Stephen Demetriadi
Mr. E. A. Baker
Mr. J. C. Duffus
Mr. N. B. Foster

and a representative of the Liverpool Cotton Association Ltd. with the right to co-opt other members.

Mr. McMorran said that a vote of thanks was due to Sir Stephen Demetriadi for his services to the community of traders with which the Meeting heartily concurred.

The East Indian Grain and Oilseed
Shippers Association, of London.
Exchange Chambers, St. Mary Axe. E.C. 3,
London, 10th August 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—Referring to my letter of the 7th April last I am directed by Sir Stephen Demetriadi, K. B. E., Chairman of this Association and of the Committee appointed by the various Associations mentioned in my cable of the 1st April to draw your attention to the official report which appeared in the London daily press of the 6th inst. of the deliberations of the Prime Ministers and Representatives of the United Kingdom, the Dominions and India during June, July and August 1921.

Under the heading of "Shipping" the following paragraphs appear :—

"As regards the Report of the Imperial Shipping "Committee on Bills of Lading, it was decided to adopt "the following resolution:—

"The Conference approves the recommendations "made in the Report of the Imperial Shipping Com-"mittee on the Limitation of Shipowners' Liability by "clauses in bills of lading, and recommends the various "Governments represented at the Conference to intro-"duce uniform legislation on the lines laid down by the "Committee."

"A resolution was also adopted to the effect that, "pending the constitution of a permanent committee on "shipping, the existing Imperial Shipping Committee "should continue its inquiries.

"The representatives of His Majesty's Government "and the Governments of New Zealand and India "were ready to agree to a wider resolution recommending "the constitution under Royal Charter of a permanent

"Committee to carry out the duties specified in the "Report of the Imperial Shipping Committee dated June 3. "viz. :—(a) to perform such duty as may be entrusted "to them under laws in regard to inter-Imperial "shipping, applicable to the whole or to important "parts of the Empire; (b) to inquire into complaints "in regard to ocean freights and conditions in inter-"Imperial trade or questions of a similar nature referred "to them by any of the Governments of the Empire; (c) "to exercise conciliation between the interests concerned "in inter-Imperial shipping; (d) to promote co-ordination "in regard to harbours and other facilities necessary "for inter-Imperial shipping."

"The representative of Canada, however, did not agree "to this wider resolution, and the representatives of the "Commonwealth of Australia and the Union of South "Africa reserved the matter for further consideration. "The position as regards rebates was discussed and "strong representations were made by Dominion "Ministers in regard to it, but no resolution was passed, "it being understood that the matter is at present under "consideration by the Imperial Shipping Committee."

The Commerce and Industry Department of the Government of India will no doubt be taking steps for the introduction of legislation in respect of the Limitation of Shipowners' Liability but I am directed to ask your Chamber to be so good as to interest itself in this matter with a view to bringing about early legislation on this important point.—I am etc.,

G. D. POWNALL,
for Secretary.

No. 1673-136.

Chamber of Commerce,
Bombay, 6th September 1921.

The Secretary to the Government of India,
Department of Commerce, Simla.

Sir,—I am directed to advert to your telegram, dated the 5th February 1921 and my letter, No. 327-77 of the 8th idem confirming my telegraphic reply thereto, on the subject of the limitation of Shipowners' liability by clauses in Bills of Lading.

2 In the above connection I am to state that my Committee observe that the conference of Prime Ministers and Representatives of the United Kingdom, the Dominions and India has approved the recommendations contained in the report of the Imperial Shipping Committee upon the above subject and has recommended the various Governments represented at the conference to introduce uniform legislation on the lines laid down by the Committee.

3. Having regard to the foregoing considerations I am to state that my Committee will be grateful if they may be advised at an early date as to the intentions of the Government of India in the matter.—I have etc.,

C. B. SAYER,
Secretary.

No. 5588.

Government of India,
Department of Commerce,
Simla, 19th September 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed to refer to your letter No. 1673-136 dated the 6th September 1921, on the subject of the limitation of Shipowners liability by clauses in bills of lading.

2, In reply I am to say that, before any action is taken on the recommendations of the Imperial Cabinet, the Government of India consider it necessary to ascertain what action His Majesty's Government propose to take in the United Kindom, and as soon as they have heard from that Government, further action will be taken in the matter.—I have etc.,

J. B. TAYLOR,
Under Secretary to the Government of India.

No. 1881-136.

Chamber of Commerce,
Bombay, 12th October 1921.

The Secretary,
The East Indian Green & Oilseed
Shippers Association of London,
Exchange Chambers, St. Mary Axe,
London, E. C. 3.

Letter from the Secretary, Bombay Chamber of Commerce to the Government of India, Department of Commerce No. 1673-136, dated 6-9-1921.

Letter from the Under-Secretary to the Government of India Department of Commerce to the Secretary Bombay Chamber of Commerce No. 5588, dated, 19-9-1921.

Dear Sir,—With reference to your letter, dated the 10th August 1921, on the subject of the limitation of shipowners' liability by clauses in Bills of lading, I am directed to forward, for your information, copies of the marginally noted correspondence between this Chamber and the Government of India in the above connection.

2. The question of the larger issue likely to be involved by the acceptance of the Hague Rules, 1921, is at present engaging the attention of my Committee and any further action they may decide to take in the matter of the Imperial Shipping Committee's Report is necessarily dependent upon the attitude they decide to adopt in regard to the aforesaid draft rules.—Yours faithfully,

C. B. SAYER,
Secretary.

The East Indian Grain and Oilseed
Shippers Association of London,
Exchange Chambers, St. Mary Axe. E.C. 3.
London, 3rd October, 1921,

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—I am directed by Sir Stephen Demetriad, K.B.E., Chairman of the Committee appointed to represent the various Trading Associations interested in the Indian Homeward Bill of Lading, to refer to my letter to you dated 10th August 1921 and to bring to your notice the movement which was recently inaugurated at The Hague and which has resulted in the drawing up of certain Rules called *The Hague Rules 1921*.

As these Rules are of a purely voluntary nature and not legally binding on Shipowners, their adoption without legislation—even if their terms were found to be acceptable (the "Received for shipment" clause would certainly not be)—is considered unsatisfactory and prejudicial to the interests of Indian Trade. I am therefore directed to ask if you will be so good as not to relax your efforts to bring about legislation at an early date on the lines, not of The Hague Rules, but of *the Canadian Water-Carriage of Goods Act* in accordance with the unanimous recommendation of the Imperial Shipping Committee in their Report dated February 1921. This recommendation was submitted to and approved by the Prime Ministers and Representatives of the United Kingdom, the Dominions and India at their Conference held during June, July and August this year and has, therefore, the support of the whole of the British Empire.

The Trading Associations to which reference is made above are :—

The East Indian Grain and Oilseed Shippers Association of London,
The Incorporated Oil Seed Association,
The London Shellac Trade Association,
The London Jute Association,
The London Corn Trade Association,
The Liverpool Corn Trade Association Ltd.,
The Liverpool Cotton Association Ltd.,
The United Kingdom Jute Goods Association Ltd.
The Indian Tea Association (London),
and the Saltpetre and Rice interests.—I remain, etc.,

C. E. LYNCH,
Secretary.

No. 1988-136.

Chamber of Commerce,
Bombay, 29th October 1921.

The Secretary,
The East Indian Grain and Oilseed
Shippers' Association of London,
Exchange Chambers, St. Mary Axe,
LONDON, E. C. 3

Dear Sir,—I am directed to acknowledge receipt of your letter, dated the 3rd October 1921, with further reference to the subject of the limitation or shipowners

liability by clauses in Bills of Lading and in reply to invite your attention to my letter, No. 1881/136, dated the 12th idem, and its accompaniments, which has crossed your letter under reference.—Yours faithfully,

C. B. SAYER,
Secretary.

The East Indian Grain and Oilseed
Shippers' Association of London,
Exchange Chambers, St. Mary Axe, E.C. 3.
London, 13th October 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir.—I beg to confirm my letter to you dated 3rd instant in which, as directed by Sir Stephen Demetriadi K.B.E., Chairman of the Committee appointed to represent the various Trading Associations interested in the Indian Homeward Bill of Lading, I brought to your notice the recent movement at The Hague which resulted in the drawing up of certain Rules called the Hague Rules 1921.

In that letter, as further directed, I asked you to be so good as not to relax your efforts to hasten legislation on the lines, not of The Hague Rules, but of the Canadian-Water-Carriage of Goods Act in accordance with the unanimous rccommendation of the Imperial Shipping Committee which was approved by the Prime Ministers and Representatives of the United Kingdom, the Dominions and India.

I am now directed by Sir Stephen Demetriadi to send herewith an account of the proceedings of a meeting of the London Chamber of Commerce convened for the purpose of discussing the Hague Rules 1921, held on the 7th instant, as reported at some length by "Lloyd's List" of the 8th instant, and at which meeting as an amendment to the Resolution approving the Hague Rules 1921. Sir Stephen Demetriadi proposed on behalf of the Trading Associations:—

"That this Chamber does not approve of the Hague "Rules 1921 and asks that legislation, which was "unanimously recommended by the Imperial Shipping "Committee in their report dated February 1921 and was "approved by the Prime Ministers and Representatives of "the United Kingdom, the Dominions and India at their

"Conference held during June, July and August this "year and has therefore the support of the whole of the "British Empire, should be introduced at an early "date."

After discussion the Meeting adjourned without arriving at a decision.

I append a list of the Trading Associations referred to :—

The East Indian Grain & Oilseed Shippers Association of London.
The Incorporated Oil Seed Association,
The London Shellac Trade Association,
The London Jute Association,
The London Corn Trade Association,
The Liverpool Corn Trade Association Ltd.,
The Liverpool Cotton Association Ltd.,
The United Kingdom Jute Goods Association Ltd.,
The Indian Tea Association (London)
and certain Saltpetre and Rice interests,—I remain, etc.,

C. E. LYNCH,
Secretary.

The East Indian Grain and Oilseed
Shippers Association of London,
Exchange Chambers, St. Mary Axe, E.C. 3.
London, 17th November 1921.

The Secretary, Chamber of Commerce,
Bombay.

Indian Homeward Bill of Lading and the Hague Rules 1921.

Dear Sir,—I am directed to acknowledge receipt of your letter of the 12th ultimo enclosing copies of correspondence between your Chamber and the Government of India, Department of Commerce and to confirm my letters dated the 3rd and 13th ultimo.

You will receive by this mail a further letter from me relating to the proceedings at the adjourned meeting of the London Chamber of Commerce which was held on the 14th instant.—I remain etc.,

G. D. POWNALL,
Assistant Secretary.

The East Indian Grain and Oilseed
Shippers Association of London,
London, 17th November, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—I beg to refer to my letters to you dated 3rd and 13th Oct. last in which letters I was directed by Sir Stephen Demetriadi K. B. E. (the Chairman of the Committee appointed by the various Associations interested in the Indian Homeward Trade) to draw your attention to the following:—

1. The movement at The Hague which resulted in the drawing up of certain Rules called the Hague Rules 1921.

2. The desire that you should not relax your efforts to hasten legislation, not on the lines of the Hague Rules but, on lines following the recommendation of the Imperial Shipping Committee as approved by the Imperial Conference.

3. The Meeting of the London Chamber of Commerce, to discuss the Hague Rules, held on the 7th Oct. last and adjourned.

I am now directed to send you a cutting from Lloyd's List of 15th inst. reporting at some length the proceedings of the adjourned meeting of the London Chamber of Commerce held on the 14th inst. from which it will be seen that an agreed Resolution was submitted to the Meeting and carried. The Resolution before the Meeting of the 7th Oct., accepting the Hague Rules, and Sir Stephen Demetriadi's amendment, not approving of the Hague Rules and asking for legislation, were withdrawn by consent.

In the interval between the Meetings a formula had been found, satisfactory to the opposing interests in the Chamber, which became the agreed Resolution moved by Sir Stephen Demetriadi. The lines of the Resolution indicate that whilst some of the provisions of the Hague Rules could not be accepted by certain Associations including those interested in the Indian Homeward Trade, there are other provisions which could be accepted and that there was no objection to the Rules forming a basis (not the basis) to be taken into account in the settlement when it comes along.

It is important to note that the Meeting approved the legislation recommended by the Imperial Shipping Committee and accepted by the Imperial Conference and agreed to direct the attention of the Governments of the United Kingdom, the Dominions and India to the Hague Rules as containing some provisions suitable for incorporation in that legislation.

Sir Stephen Demetriadi emphasised the fact that it was not a question of the Hague Rules versus legislation but really one of bringing into harmony two movements which aimed at the same result.

The position therefore now reached is that approval has been given by the London Chamber of Commerce to legislation based upon the merging of the best points of the Hague Rules into the best points of the Report of the Imperial Shipping Committee.

I again append a list of the Associations which Sir Stephen Demetriadi represented:—

The East Indian Grain & Oilseed Shippers Association of London,
The Incorporated Oil Seed Association,
The London Shellac Trade Association,
The London Jute Association,
The London Corn Trade Association,
The Liverpool Corn Trade Association Ltd,
The Liverpool Cotton Association Ltd,
The United Kingdom Jute Goods Association Ltd.,
The Indian Tea Association (London)
and certain Saltpetre and Rice interests.—I remain, etc.

G. D. POWNALL,
Asst. Secretary.

Reprint from " Lloyd's List " Tuesday, Nov. 15, 1921.

LONDON MERCHANTS AND THE HAGUE RULES.

The adjourned meeting convened by the London Chamber of Commerce to consider the Hague Rules was held at the Cannon Street Hotel yesterday afternoon. The president, Mr. Stanley Machin, who was in the chair, announced that, as the result of several conferences between representatives of the conflicting interests, a common understanding had been reached at the eleventh hour, and an agreed resolution would be submitted to the

meeting. This resolution recognised the Hague Rules "as a basis for the settlement of the respective rights of shipowners, and merchants under bills of lading." Some opposition to the resolution came from the body of the hall, from speakers representing the grain, timber and oil and tallow trades, but after a limiting amendment had been defeated, it was carried, with a few dissentients.

The Chairman said that since the first meeting on Oct. 7 a good deal had taken place. Various important bodies, including the Associated Chambers of Commerce of the United Kingdom, the Imperial Council of Commerce representing the Chambers of Commerce of the Empire, and many sections of the London Chamber of Commerce, had passed resolutions supporting the Hague Rules. On the other hand, two or three important bodies in connection with the corn and timber trades had taken a different view. He felt that all business men would realise that if possible they should come to some general understanding as to the attitude the Chamber of Commerce should adopt towards the Rules. They were there to do the best they could for the commerce of this country. It was almost impossible for the wit of man to devise any set of rules that would fit every possible emergency in every possible trade. Latterly, parties holding different views had been in communication with a view to meeting their difficulties, and he was pleased to say that those who differed at the last meeting had come to a common understanding which formed the basis of a resolution to be submitted to the meeting. It was for the meeting to say whether the resolution as amended would meet with their acquiescence. He sincerely hoped it would. The Rules contained such valuable provision that they should not turn them down without the gravest consideration, and he hoped they would receive general acceptance. It was necessary first to get rid of the resolution and the amendment submitted at the first meeting.

Permission was then given to the mover of the amendment, Sir Stephen Demetriadi, and the mover of the proposal, Mr. E. B. Tredwen, to withdraw their proposals.

Sir Stephen Demetriadi then moved:—

That this general meeting of members of the London Chamber of Commerce records its warm appreciation of the work done at the recent conference of the International Law Association at the Hague by the Maritime

Law Committee of the Association, and recognises the Hague Rules, 1921, as a basis for the settlement of the respective liabilities and rights of shipowners and merchants under bills of lading; invites the attention of the Governments of the United Kingdom, Dominions and India, to them as containing provisions suitable for incorporation in the legislation following upon the recommendations of the Imperial Shipping Committee and the Imperial Conference; emphasizes the importance of similar legislation by other maritime States, and leaves the use of "Received for Shipment" bills of lading to arrangement between the parties concerned.

He shared the wish expressed by the President that the agreement which had been reached at the eleventh hour might receive the general approval of the Chamber. While the Associations he represented were unable to accept the Hague Rules, they recognised they contained some good material. When overtures were made to him unofficially last week as to whether he was prepared to negotiate, Mr. Tredwen was the Chairman of the Merchants' Committee of the Chamber, and, after many interviews, at which the whole position was thoroughly reviewed, he (the speaker) came to the determination that it was not a question of the Hague Rules, 1921, versus legislation, but really one of bringing into harmony two movements which aimed at the same result. They felt they should take the best points of the Hague Rules and the best points of the report of the Imperial Shipping Committee and mould them into one. That was what the formula they had drawn up was meant to reflect, and it seemed to them to be the common-sense view to take. The storm had raged furiously at times, but there had been this good point about it, it had enabled everyone to ventilate his opinion. All would agree that it spoke volumes for the common-sense of members of the London Chamber of Commerce that they have been able eventually to find a formula acceptable to the leading members of both parties. That fortunate result had been due not only to unremitting perseverance on both sides, but also to the untiring efforts of Mr. Musgrave, the able secretary of the Chamber. (Applause.)

Mr. E. B. Tredwen seconded. He said he wished to testify to the great persevering work shown by Sir Stephen Demetriadi and to the excellent services in the cause of commerce on the part of Mr. Musgrave. One point raised by Sir Stephen Demetriadi was his preference for legislation over a voluntary agreement.

He (Mr.Tredwen) thought there was no doubt that inevitably there must be legislation following upon the resolutions passed by the Imperial Shipping Committee and the meeting of the Premiers overseas. They would probably have to wait a long time before that legislation came into force.

Mr. W. W. Paine, representing the bankers, submitted that it would have been little short of lamentable from the point of view of trade and commerce if, as businessmen, they had not been able to arrive at such an arrangement as that indicated by the resolution. As to the position of the bankers, at the last meeting he very strongly supported the adoption of the Rules. Bankers felt that by the adoption of the Rules as a basis of settlement a great stride had been made in the interests of the trade and commerce of this country. The bankers, therefore, whole-heartedly supported the settlement arrived at. There had been a vast amount of misconception in the minds of many traders as to what they believed to be the true effect of the Rules. Dr. Bisschop and he had endeavoured in the Press and elsewhere to explain the true meaning of Rules, which did not in all respects bear the construction which had been put upon them by some people, particularly in regard to the "received for shipment" bill of lading. Fortunately, it was not necessary that afternoon to make a contentious speech. He would go back to the question of legislation. It was perfectly true that at the Hague Conference they had always in their minds the fact that ultimately the Rules would have to be embodied not only in the legislation of this country, but also in that of the assenting maritime States, some sixteen in number. It was a great thing that they had not only the United Kingdom and the British Empire, but the other maritime nations represented to concur in a general basis of legislation. It seemed to bankers that it would have been wise to give the Rules a run, in order to see if any difficulties might arise, but as Mr. Tredwen had stated, it might be a year or two before legislation was obtained and, therefore, it would be wise to wait, perchaps, before carrying the matter any further, because they would have to wait whether they wanted to or not.

Mr. F. Hugh Capron stated that in view of the amendment having been withdrawn by Sir Stephen Demetriadi, he did not think it was necessary to enlarge on the objectionable features of the Rules from the merchant's point of view, but he wished to emphasize the

fact that the Rules did contain provisions which, so far as the timber trade were concerned, were absolutely unacceptable. He moved that after the words "and recognises the Hague Rules, 1921," should be inserted the words "as principles which may be made the basis of negotiations for the settlement of the respective liabilities"; and further, the statement that the Rules contained provisions suitable for incorporation should read "some of which are suitable."

Mr. J. C. Pillman seconded.

Mr. J. Wilson Hope representing the Oil and Tallow Trades Association, connected with which, he said, were 450 important firms throughout the country and on the Continent, opposed the resolution as it originally stood. They objected very strongly indeed, he said, to the "received for shipment" bill of lading clause.

Dr. W. R. Bisschop expressed surprise that, as there was an agreed resolution before the meeting, the whole case had been re-opened. Therefore, he asked permission to answer the arguments which had been advanced against the adoption of the Rules. He had not heard one argument which could not be easily defeated, because all the objections which had been raised emanated either from a misreading of the Rules or from reading in them what they did not contain. (No, no.) One speaker who supported the amendment stated that the Harter Act and the Canadian Act were the only basis they could adopt. He further maintained that the shipowner had not to make his ship seaworthy. But in Clause 2 of Art. 3, which might be quoted as the charter of the cargo owner, it was provided that the carrier should be bound to provide for the proper and careful handling, stowage and unloading of the goods carried. The wording in the Hague Rules was the same as that contained in the Harter Act and the Canadian Act. It was also stated that the Hague Rules sanctioned a "received for shipment" bill of lading. The Rules said nothing of the kind. In Clause 7 of Art. 3 it was stated that every cargo owner was entitled to a shipped bill of lading. Where did they get sanction for a received for shipment bills of lading? That was only to prevent two sets of bills of lading running at the same time. The Hague Rules put in intelligible language the rights and responsibilities of the shipowners, and it could be translated into any language so that

shippers and owners could agree. By means of the Rules they had an international basis of agreement. Once the Rules had been agreed upon they would be able to ascertain their weakness and strength, and international legislation could be based on the experience gained.

Mr. R. A. Patterson expressed surprise that Dr. Bisschop should have dealt with various points connected with the Rules after an agreed resolution had been arrived at. The meeting knew his views as to the deficiencies in the Rules, but as the result of the agreement arrived at he was in agreement with the Rules as a basis of settlement.

Mr. H. M. Colebrook, as a member of the grain trade, understood that they had to take the Rules or leave them. The grain trade intended to leave them because they disapproved of them very considerably.

Sir W. Lane-Mitchell, pointed out that shipowners did not want the Rules.

Voting took place on the amendment as follows :—

For the amendment.....	54
Against	80

The amendment was, therefore, lost.

Mr. Hope moved, as a further amendment: "That no action be taken by the London Chamber of Commerce until a committee selected from the leading trades in London and members of the Chamber have an opportunity of meeting and discussing the matter fully."

The Chairman: Ten sections of the Chamber have already met and reported in favour of the Rules.

Mr. Hope said he would not proceed with his amendment. The resolution was then carried with only a few dissentients.

Among those present at the meeting were :—

Mr. A. Ashbolt, Mr. R. L. Barclay, Sir Robert Balfour, M.P., Dr. W. R. Bisschop, Sir Stephen Demetriadi, Mr. E. B. Tredwen, Mr. R. A. Patterson, Mr. W. W. Paine, Sir Wm. Lane-Mitchell, M.P., Mr. D. T. Chadwick (Indian Trade Commissioner), Mr. Robert P. Skinner (American Consul-General), Sir Charles C. McLeod, The Right Hon. T. Wiles, Mr. Arthur Serena, J.P., Mr. J. Wilson Hope, Mr. F. W. Parsons, Mr. Fredk. Philp,

Mr. A. Barton Kent, Mr. J. C. Fraser, Mr. J. M. Dick, Mr. K. G. R. Vaizey, Mr. H. C. Wood, Mr. Charles. E. Musgrave, F.C.I.S., (Secretary of the London Chamber of Commerce), and Mr. A. de V. Leigh (Assistant Secretary).

No. 21/136.

Chamber of Commerce,
Bombay, 6th January 1922.

The Secretary,
The East Indian Grain and Oilseed
Shippers Association of London,
Exchange Chambers,
St. Mary Axe, London: E.C. 3.

Dear Sir,—I am directed to acknowledge receipt of your letter, dated the 17th November 1921, and its accompaniment, and in reply to say that my Committee have noted with interest the fact that approval has now been given by the London Chamber of Commerce to the introduction of legislation upon the lines laid down in the Report of the Imperial Shipping Committee subject to the incorporation therein of the most important provisions of the Hague Rules.—Yours faithfully,

C. B. SAYER,
Secretary.

APPENDIX Q-1.

SURVEY DEPARTMENT, PORT OFFICE, BOMBAY.

No. 325.

Marine Department, Fort,
Bombay, 14th February 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed to say that complaints have been received by Government regarding the detention of steamers at Bombay on account of delays in survey. The reasons of these delays were (1) that the Marine Survey Department was understaffed (2) that it was inadequately paid and (3) that it was not properly supplied with means of conveyance. Government have already taken steps to improve the salary and prospects of the Ship

Surveyors and to pay them a liberal allowance for motor cars. The question or further revising their salaries is still engaging the attention of the Government of India.

2. The Survey Department staff consists of three trained Engineer and Ship Surveyors recruited from the Royal Indian Marine. Owing to the recent increase in the emoluments of the Royal Indian Marine officers it has been found difficult to recruit the staff, which for some time consists of two officers only on the average. With the revision in their salaries already sanctioned and a further revision still under contemplation, it is expected that the staff will shortly be working at its full complement. Government are however advised that owing to the increasingly complicated structure of the ships coming under survey and the more stringent regulations issued by the Board of Trade with regard to the survey of passenger vessels, the normal staff engaged at Bombay is not sufficient to cope with the work efficiently and expeditiously and that two additional surveyors are necessary to supplement it. It is reported that usually there are 4 or 5 surveyors at a port in the United Kingdom of the magnitude of Bombay. An expenditure of about Rs. 32,000/- will be required if the additional staff is engaged and supplied with conveyances.

3. It is proposed to meet this additional expenditure (1) by raising the ordinary survey fees by 50% (2) by increasing the fees levied on the survey of cargo boats and (3) introducing an overtime fee in accordance with the Board of Trade scale on surveys held after 5 P. M., increasing the Sunday and Holiday fee to Rs. 60 per hour, levying a special charge of Rs. 10 for the travelling expenses of the Surveyor when he is called upon to survey vessels at places such as Versova remote from the port limits and charging separate Load Line Survey fees on the Board of Trade scale. It is estimated that a total income of Rs. 32,500 will be obtained by these means, as shown in the accompanying statements A. and B. which will suffice to meet the proposed charge.

4. I am to request that you will be good enough to place these proposals before your Chamber and to furnish Government with their views on them with particular reference to (1) the necessity of strengthening the Surveyors' Staff and (2) the effect of the enhanced fees on the shipping visiting the port.— I have etc,

S. N. ZIMAN,

Deputy Secretary to the Government of Bombay.

STATEMENT. "A"

Total number of cargo boats surveyed during 1919 ... 616
Total fees received. ... ... Rs. 3080

Income from Cargo boats under proposed increase of fees (based on gross tonnage and class).

Class I.

Muchwas, Padows and similar country crafts which ordinarily proceed under own sail.

Gross Tonnage	No.	Proposed fee	Total fees.
Not exceeding 50	324	Rs. 10	Rs. 3240
Not exceeding 100	146	„ 20	„ 2920
			Total Rs. 6160

Class II.

Wood and Composite lighters.

Gross Tonnage	No.	Proposed fee.	Total fees.
Not exceeding 50	7	Rs. 15	Rs. 105
Not exceeding 100	17	„ 25	„ 425
Not exceeding 200	2	„ 45	„ 90
			Total Rs. 620

Class III.

Iron and Steel lighters.

Gross Tonnage	No.	Proposed fee.	Total fees
Not exceeding 50	17	Rs. 25	Rs. 625
do. do. 100	81	„ 35	„ 2835
do. do. 150	12	„ 45	„ 540
do. do. 200	4	„ 55	„ 220
do. do. 250	5	„ 65	„ 325
do. do. 300	1	„ 75	„ 75
			Total Rs. 4620

Summary.

Total fees under present scale.	Total fees under proposed increased scale.	Increase.
Rs. 3080	Rs. 11400	Rs. 8320

STATEMENT "B"

	Income of Survey Deptt. during period September 1919 to August 1920.	Income of same surveys if proposed fees are introduced.
	Rupees.	Rupees.
Survey fees for Survey Certificates Load Line and Docking Certificate and miscellaneous minor fees.	41011	61516
Native Passenger Act Certificates.	3136	6172
Pilgrim Act Certificates.	736	1472
	Total 44883	Total 69160
	Increase Rs. 24277	

Total income from all sources.

	Under existing fees.	Under proposed increased fees.
Cargo boats.	Rs. 3080	Rs. 11400
Surveys &c.	„ 44883	„ 69160
	Rs. 47963	Rs. 80560.
		Increase Rs. 32597.

No. 30-235

Chamber of Commerce,
Bombay, 6th January 1921

Messrs, Turner Morrison & Co, Ltd.,
Managing Agents, The Mogul Line, Bombay.

Dear Sirs,— I am directed to refer to your letter,* No. M. D. 8/992, dated the 19th December 1920, and in reply to state that my Committee are in communication with Government in regard to the present establishment of the Marine Survey Department of the Port Office. A further communication shall be addresed to you in due course—Yours faithfully,

C. B. SAYER,
Secretary.

* See Chamber's Report for 1920 Vol. II p. 640

No. 456-106.

Chamber of Commerce,
Bombay, 24th February 1921.

The Secretary to the Government,
Marine Department, Bombay.

Sir,—With reference to your letter No. 325 of the 14th instant, I have the honour to request you kindly to furnish my Committee with the following particulars in regard to the Port Survey Departments of (1) Calcutta and (2) Bombay :—

(a) The actual yearly income and expenditure of the departments under the scale of fees at present in force.

(b) The estimated increase in income under the proposed charges.

(c) The estimated increase in expenditure due to increase of salaries etc. of the staff.

(d) The number of surveyors and their salaries at present.

(e) The number of surveyors and their salaries under the proposed revision.

I am desired also to ask you to be so good as to furnish me with details of the charges at present levied in Calcutta for surveys on the lines of statement "A" attached to your letter under reference.—I have etc.,

C. B. SAYER,
Secretary.

No. 1127.

Marine Department,
Secretariat, Fort,
Bombay, 28th June 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—With reference to your letter no. 456-106, dated the 24th February 1921, I am directed by the Governor in Council to furnish the following particulars in regard

to the Marine Survey Departments at Bombay and Calcutta on the points referred to by you :—

(a) The actual yearly income and expenditure of these two Departments in the year 1920 under the scale of fees at present in force were :—

		Bombay.	Calcutta.
Income	...	46,466	38,297
Expenditure	...	44,513	43,956

(b) The estimated increase in income under the proposed charges at the port of Bombay based on the actuals of the year 1920 now available is Rs, 35,500 a year. The estimate of Rs. 32,500 reported in my letter no. 325, dated the 14th February 1921, was based on figures available in October last.

(c) The estimated increase in expenditure due to increase of salaries etc, of the present Surveyors at Bombay is Rs. 6,900 a year. In addition to this it is proposed to grant quarters or house allowance in lieu to all the three Surveyors, the cost on account of which cannot be calculated at present.

(d) The number of Surveyors at Bombay and Calcutta and their present salaries are shown below :—

	Bombay (three)	Rs.
Principal Surveyor ... (Engineer Commander. R. I. M.)	Pay of grade	...700
	Staff allowance	...400
	For Surveying cargo boats	...100
	Motor car upkeep allowance	...250
2nd Surveyor (Engineer Lieutenant Commander R. I. M.)	Consolidated pay	...950
	For Surveying cargo boats	...100
	Motor car upkeep allowance	...250
3rd Surveyor (Engineer Lieutenant Commander or Engineer Lieutenant, R. I. M.) (vacant at present)	Consolidated pay	...800
	Motor car upkeep allowance if he provides a motor car	...250
	Calcutta (three)	
Principal Surveyor (Engineer Lieutenant Commander, R.I. M.)	Pay of grade Rs. 650 + 400 staff allowance	
	For survey of Government vessels	...Rs. 95
	Motor car allowance not known.	

Calcutta (three) *contd.*

2nd Surveyor (Engineer Lieutenant Commander, R. I. M.)	Consolidated pay ...Rs. 950 For Survey of Government vessels ...Rs. 95 Motor car allowance not known	
3rd Surveyor (Engineer Lieutenant Commander, R. I. M.)	Consolidated pay ...Rs. 800 For Survey of Government vessels ...Rs. 95 Motor car allowance not known,	

(e) The number of Surveyors at Bombay and their salaries under the proposed revision exclusive of expenditure on their housing referred to above regarding which information cannot be supplied at present, are:—

	*Grade pay	Staff allowance	Total	
	Rs.	Rs.	Rs.	
Principal Surveyor	...700	700	1,400	per mensem
2nd Surveyor	...650	500	1,150	per mensem
3rd Surveyor	...625	450	1,075	per mensem
4th Surveyor	...625	450	1,075	per mensem
5th Surveyor	...625	450	1,075	per mensem
			5,775	
			x 12	
			69,300	
Approximate motor car allowance @ Rs. 250 each for 5 Surveyors...			1,250	
			70,550	

**Note*:—Grade pay depends upon seniority of officer holding appointment, but above figures may be accepted as a fair estimate. The clerical and menial staff will of course also require to be strengthened.

2. With reference to paragraph 2 of your letter under reply, I am directed to say that the details asked for by the Chamber of the charges at present levied at Calcutta are not available.—I have etc.,

S. N. ZIMAN,
Deputy Secretary to the Government of Bombay.

No. 1427-106.

Chamber of Commerce,
Bombay, 16th July 1921.

The Deputy Secretary to Government
Marine Department, Bombay.

Sir,—I am directed to refer to your letter, No. 325, dated the 14th February 1921, and subsequent correspondence, with regard to the working of the Marine Survey Department and certain proposals submitted by Government in that connection.

2. I am to refer in the first instance to the two questions upon which the views of my Committee are particularly invited in your letter, namely,

(1) The necessity of strengthening the staff of the Department, and,

(2) the effect of Government's proposals in connection with the enhancement of the fees upon shipping visiting the port.

3. In the opinion of my Committee the necessity of increasing the present staff admits of no argument. Although the sanctioned strength of the Department is three Surveyors it is admitted in your letter that for some time past only two have been available and my Committee consider that the minimum number required is four. If, however, the strength is raise to five, the Senior Surveyor can be stationed permanently in the Survey Office and be available for consultation. For that reason my Committee approve the proposal that five Surveyors should be appointed.

4. My Committee realise that the additional expenditure likely to be incurred through the adoption of Government's proposals in the above connection, is considerable; but they are of opinion that a proportionate increase in the scale of fees will be a matter of less consequence to the shipping companies concerned than the loss involved through delays to steamers on account of the inability of the present establishment to undertake the work. At the same time, however, I am to point out that the present scale represents an increase made as recently as December 1918, when the fees were made payable on the gross instead of the nett registered tonnage.

5. With regard to the various methods of raising the additional revenue required my Committee approve of the proposal that an increase of 50% should be effected in the ordinary survey fees and that the fees levied on the survey of cargo boats should be raised in accordance with the scale set forth in Statement A. My Committee, however, are strongly opposed to the proposal to introduce an overtime fee. The adoption of such a procedure in order to raise funds to meet additional expenditure is, my Committee submit, indefensible in principle and can only lead to abuse. If the salaries of Government Surveyors with the enhancements proposed, do not compare favourably with those of Government officers of similar standing my Committee submit that a readjustment should be effected and in that connection they suggest that the Senior Surveyor's salary, when readjusted, might be increased by an additional Rs. 200/- per month and that of the junior surveyors by Rs. 100 per month, in lieu of overtime.

6. With regard to the remaining proposals in this connection my Committee presume that the suggested increase of the Sunday and Holiday fee is incorrectly stated and must be intended to read Rs.60 per visit instead of per hour as stated in paragraph 3 of your letter. The fee of for the duty in question was increased from Rs. 20 per hour to Rs. 50 per visit in 1904, (vide Government notification No. 90, dated the 10th April 1904) and an increase of the nature suggested in your letter involves a reversion to the pernicious system in existence prior to that date. Fees levied on account of the above work should be credited in full, my Committee consider, to the Surveyor concerned as is customary in the case of Board of Trade Surveys.

7. In conclusion I am to state that my Committee are of opinion that three cars for the five surveyors will be sufficient and that a saving under that heading might therefore be effected.

8. My Committee hope that in view of the delay which has already occurred and the pressing importance of the subject, Government will be pleased to give effect to their proposals, with the amendments thereto suggested by my Committee in this letter, at the earliest possible date.—I have etc.,

C. B. SAYER,
Secretary.

No. 1617/106.

Chamber of Commerce,
Bombay, 25th August 1921.

The Hon. Sir Chimanlal H. Setalvad, Kt., LL.D.,
Council Hall, Poona.

Dear Sir Chimanlal,—The Chamber of Commerce is much disturbed by the delays to shipping caused by the extreme shortage of Marine Surveyors in Bombay at the present moment.

The Marine Department, in their letter to us, No. 1127 of 28th June, advised us that the present establishment consists of three Surveyors, and that there would be five in future when the proposed revision comes into force.

Of the three posts now provided for, one has been vacant for a considerable time past, so that the whole work of the port falls upon two surveyors. Of these, again, one is working under great difficulties owing to ill health, and it is quite clearly beyond the powers of these two men to compete with the work at present before them and to arrange for the prompt and business-like despatch of ships in harbour. I am informed that the congestion of work is so great that even the turn round of the Mail steamers is endangered.

I understand that it is within your power not only to fill the existing vacancy but to make temporary appointments until such time as the revision becomes effective, and I hope that you will give the earliest possible instructions to the Port Officer to appoint at least two suitable men for temporary work.

I shall be at Government House from Friday to Monday morning in case you would like to see me.—

Yours sincerely,
H. MACNAGHTEN,
Chairman.

No. 96/M.

Marine Department, Fort,
Bombay, 3rd October 1921.

The Secretary, Chamber of Commerce,
Bombay.

Subject:—Additional Ship Surveyors.

Sir,—With reference to the Chamber's letter to the Hon'ble Sir Chimanlal H. Setalvad on the subject noted above, I am directed by the Governor in Council to say that the matter is receiving the careful consideration of Government.—I have etc.,

S. N. ZIMAN,
Deputy Secretary to the Government of Bombay.

No. 96-M.

Marine Department, Fort,
Bombay, 24th October 1921.

The Secretary, Chamber of Commerce,
Bombay.

Subject:—Proposed entertainment of additional ship surveyors.

Sir,—In continuation of my letter No. 96-M, dated the 3rd October 1921, on the subject noted above I am directed by the Governor in Council to say for the information of your Chamber that the Director of the Royal Indian Marine who was requested by Government to place at the disposal of the Port Officer, Bombay, as a temporary measure, two engineer officers from the Royal Indian Marine to act as assistants to the Principal Surveyor has reported that no Royal Indian Marine Engineers are at present available for appointment on the Bombay Marine Survey Department. Government have now secured the services of Mr. H. W. Tucker, a Marine Surveyor, belonging to the British Indian Steam Navigation Company as a temporary measure to assist the Principal Surveyor and he reported himself for duty on the forenoon of the 14th October 1921.—I have etc.,

S. N. ZIMAN,
Deputy Secretary to the Government of Bombay.

No. 2006/106.

Chamber of Commerce,
Bombay, 4th November 1921.

The Deputy Secretary, to Government,
Marine Department, Bombay.

Sir,—I am directed to acknowledge receipt of your letter, No. 96-M, dated the 24th October 1921, and in reply to state that my Committee are glad to note that the services of an additional ship surveyor have now been secured, as a temporary measure, and they hope that the earliest possible effect will be given to the proposals set forth in your letter, No. 1127, dated the 28th June 1921.—I have etc.,

H. ROYAL,
for Secretary.

APPENDIX Q-2.

WAREHOUSE ACCOMMODATION AT THE DOCKS.

No. 232- 3.

Chamber of Commerce,
Bombay, 27th January 1921.

The Secretary, Bombay Port Trust,
Bombay.

Sir,—I have the honour, by direction of the Committee of the Bombay Chamber of Commerce, to address you with reference to the question of warehouse accommodation at the Docks, particularly for piece-goods.

My Committee believe that there is at present a very heavy demand for such accommodation. They understand that "A" Warehouse, Alexandra Dock will, at the end of March 1921, be re-transferred to the Port Trust by the Military and that this warehouse will have accommodation for about 42,000 packages. It has been suggested to my Committee, however, that the Fire Insurance Association might not consent to the warehouse in question being declared a "Protected" one, reserved for piece-goods in bales and cases and metals only, owing to the greater risk involved in storing such a large number of packages under one roof.

I am desired therefore to enquire whether the matter has been under the consideration of the Trustees and, if so, whether any action has been taken by them.—I have etc.,

H. ROYAL,
for Secretary.

No. 483-73

Chamber of Commerce,
Bombay, 1st March 1921.

The Secretary, Bombay Port Trust,
Bombay.

Sir,—I have the honour to draw your attention to this Office No. 232-73 of the 27th January last in connection with "A" Warehouse, Alexandra Dock, and shall be glad to know when my Committee may expect to receive a reply.—I have etc.,

C. B. SAYER,
Secretary.

No. B.-698.

Bombay Port Trust,
Bombay, 8th March 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—With reference to your letter No. 232-73 dated 27th January 1921, and subsequent reminder, I am directed to inform you that the Chairman of the Fire Insurance Association, Mr. H. T. Gorrie, recently visited 'A' Warehouse, Alexandra Dock, with the Docks Manager, and discussed the question under reference. Mr. Gorrie requested that, pending submission of his proposals on the subject, the matter might be held in abeyance.

A further communication will be sent to you in due course,—Yours faithfully,

W. R. SHARPE,
Secretary.

No. 786-73

Chamber of Commerce,
Bombay, 14th April 1921.

The Secretary, Bombay Port Trust,
Ballard Road, Bombay.

Dear Sir,—With reference to the correspondence resting with your letter No. B-698 of the 8th ultimo, as Mr. H. T. Gorrie has sailed for England I shall be glad to know whether he submitted his proposals in regard to 'A' Warehouse, Alexandra Dock, before sailing and if so, whether the Trustees are in a position to reply to my Committee's letter No.232-73 of 27th January 1921.—Yours faithfully,

C. B. SAYER,
Secretary.

No. B-1175

Bombay Port Trust,
Bombay, 21st April 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—With reference to correspondence ending with your No. 786-73 of 14th instant regarding warehouse accommodation at the Docks for piece-goods, I am directed to inform you that the Bombay Fire Insurance Association have now submitted their report on the internal alterations to "A" and "B" Warehouses, Alexandra Dock, which they consider desirable to comply with insurance requirements for protected warehouses. The suggestions are receiving the attention of the Trustees' Chief Engineer and Docks Manager.

As regards the general position of piece-goods stocks, I am to say that during the last three weeks deliveries have improved whereas imports remain as small as before. From general enquiries it appears improbable that any improvement in the piece-goods import trade can be expected for some time to come. Sufficient accommodation for the existing stocks is available in "B" and "C" Warehouses, and it is therefore proposed, for the present, to reserve "A" Warehouse for the accommodation of Duty Paid sundry goods until such time as piece-goods imports revive.—Yours faithfully,

W. R. SHARPE,
Secretary.

No. 953-73

Chamber of Commerce,
Bombay, 10th May 1921.

The Secretary, Bombay Port Trust,
Ballard Road, Bombay.

Dear Sir,—I am desired by the Committee of the Bombay Chamber of Commerce to acknowledge receipt of your letter No. B-1175 of the 21st ultimo and to thank you for the same. I am to add, however, that my Committee trust that you will take such steps as may be necessary to avoid congestion when the piece-goods market revives.—Yours faithfully,

H. ROYAL,
for Secretary.

APPENDIX Q-3.

PILFERING AT THE DOCKS.

No. 1571/63.

Chamber of Commerce,
Bombay, 12th August 1921.

The Secretary, Bombay Port Trust,
Bombay.

Sir,—I am directed to invite a reference to your letter, No. B.-1792, dated the 30th June 1920, on the subject of pilferage in the Docks and, in connection with the extract from the Crime Report for the year 1919 set forth in paragraph 2 of the same, to enquire whether the deficiency in the strength of the Dock Police, at that date of so serious a nature, has yet been reduced to any considerable degree. Any figures with which you may be in a position to furnish my Committee in the above connection will be very much appreciated.—I have etc.,

C. B. SAYER,
Secretary.

No. B-2963.

Bombay Port Trust,
Bombay, 6th October 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—With reference to your letter No. 1571/63 dated 12th August 1921, I am directed to forward herewith a copy of the Docks Crime Report by the Commissioner of Police for the year 1920 with an accompaniment.

2. Para 5 of the Report deals with the strength of the Dock Police during the year 1920. A noticeable improvement is recorded in respect of the value of property recovered which is 58½ per cent. of the value of the stolen property, as against 36 per cent. recovered in 1919, vide para 4.

3. I am also to apend herewith a comparative statement giving particulars of thefts in the Docks for the first 6 months of 1921 as against the corresponding period of 1920, from which it will be observed that a very marked improvement has taken place in the current year, attributable to the greatly improved Police activities in the Docks.—Yours faithfully,

C. M. HANSON,
Acting Secretary.

Copy of letter No. 7070/21-B. dated 29th July 1921 from the Commissioner of Police, Bombay, to the Secretary, Bombay Port Trust.

I have the honour to forward herewith a copy of the crime report of the Superintendent of Police, "I" Division for the P. V. & A. Docks for the year 1920.

2. There is once again a large increase in cognisable crime, 1348 cases having been registered as against 1024. The increase is entirely accounted for by an increase of 240 thefts and 85 cases of receiving stolen property. I do not think that this increase need be seriously regarded because it tends to show, if anything, a greater activity on the part of the subordinate Police in picking up cases while on patrol in the Docks and postduty at the gates, and the result of this activity has manifested

itself this year in a very large decrease in crime up to date. House breaking, the most important class of crime in the Docks, fell from 63 cases to 54.

3. Local Act cases rose from 4495 cases to 5037, an increase of 542 cases.

4. The results as regards the recovery of stolen property are more satisfactory. Property to the value of Rs. 92,609 was stolen, and Rs. 54,288 was recovered, a percentage of 58.6 per cent. against Rs. 64,683, Rs. 23,220 and 35.9 per cent last year; a notable increase.

5. The strength of the Dock Police has once again been about 16 per cent. below sanction, but this year there seems some prospect of reducing this to more reasonable proportions.

No. 2443/H&I.

Bombay, 10th June 1921.

R. L. McCulloch, Esquire,
Commissioner of Police, Bombay.

Through the Deputy Commissioner of Police,
for the Port, Bombay.

Sir,—I beg to forward for information of the Bombay Port Trust the Annual Report of the Prince's, Victoria and Alexandra Docks for the year 1920.

(1) 34 Port Trust servants were charged in theft cases out of which 31 were convicted and 3 discharged.

(2) 92 persons were placed before the Magistrate under section 114-4-02 (possessing property reasonably believed to be stolen) out of which 80 convicted and 12 acquitted.

(3) 1142 cases of thefts (including 3 cases pending from the previous year) were reported to the Police out of which 990 were convicted during the year giving a percentage of 86.91.

(4) There were 107 cases under section 411 I.P.C. (receiving stolen property) in which 138 persons were charged and placed before the Magistrate out of which 91 were convicted and 25 discharged.

(5) The property reported to have been stolen amounted to Rs. 92,609 and the property recovered amounted to Rs. 54,228 giving a percentage of 58.55;

The property is divided as under :—

	Property stolen			Property recovered			Percentage	Remarks
	Rs.	a.	p.	Rs.	a.	p.		
(1) Property in charge of the Bombay Port Trust ...	27,908	0	0	21,516	0	0	77·09	
(2) Property in charge of vessels	35,930	0	0	24,135	0	0	67·17	
(3) Property belonging to the persons working in the Docks	2,387	0	0	267	0	0	11·18	
(4) Property belonging to the merchants	7,690	0	0	5,463	0	0	71·04	
(5) Property belonging to the Government	14,082	0	0	1,347	0	0	9·56	
(6) Property under section 114-4-02...	1,128	0	0	1,128	0	0	100·00	
(7) Property belonging to the passengers	3,484	0	0	372	0	0	10·67	
Total ...	92,609	0	0	54,228	0	0	58·55	

(6) There were 508 accidents to persons in the Docks in which 36 proved fatal.

(6a) The Police disposed of 33 accidental deaths and the Coroner held 32 inquests.

(7) The Dock police attended 3 Fires in Port Trust property.

(8) There were 17 cases under the Abkari Act and all were detected.

(9) There were 109 cases under the Opium Act in which 104 were convicted and 5 acquitted.

(10) No cases were taken up under Chapter VIII C.P.C. during the year 1920.—I have etc.,

W. R. JONES,
Superintendent of Police,
H. & I. Divisions.

Statement of thefts in the Docks from January to June 1921 as compared with 1920 for the same period.

Month	No. of Thefts	No. of persons arrested	Approximate value of property stolen	Approximate value of property recovered	No. of persons convicted	No. of persons acquitted
			1920			
			Rs. a. p.	Rs. a. p.		
January ...	46	61	970 10 0	420 10 0	59	2
February ...	52	60	2,697 13 9	1,916 13 9	58	2
March	91	97	2,840 11 9	2,438 11 9	95	2
April	58	79	4,134 1 9	3,735 15 9	67	12
May	46	53	746 1 3	573 3 3	53	—
June	70	78	850 7 0	850 7 0	74	4
	363	428	12,239 13 6	9,935 13 6	406	22
			1921			
			Rs. a. p.	Rs. a. p.		
January ...	27	40	2,652 9 0	2,596 9 0	37	3
February ...	21	34	1,183 11 0	1,089 11 0	31	3
March	17	18	282 14 0	282 14 0	18	—
April	16	22	2,131 8 0	1,444 0 0	22	—
May	19	15	2,952 10 6	347 10 0	15	—
June	7	12	321 12 0	321 12 0	9	3
	107	141	9,525 0 6	6,082 8 0	132	9

No. 1894/63.

Chamber of Commerce,
Bombay, 14th October 1921.

The Ag. Secretary, Bombay Port Trust,
Bombay.

Dear Sir,—I am directed to acknowledge receipt of your letter, B-2963, dated the 6th October 1921, and its accompaniments, with reference to the question of pilferage at the Docks and to thank you for the information therein contained, which has been read with interest by my Committee.—Yours faithfully,

C. B. SAYER,
Secretary.

APPENDIX Q-4

INCREASE IN BOMBAY PORT TRUST WHARFAGE RATES.

Bombay, 15th December 1921.

The Secretary, Chamber of Commerce.
Bombay.

Dear Sir,—With reference to the Notification contained in to-day's Government Gazette, part I, page 3221, in regard to *New Wharfage Rates*, which the Bombay Port Trust intends to put in force as from 1st January 1922, we are strongly of opinion that this notice in so important a matter is much too short.

We would suggest your Committee taking up the matter with the Port Trust with a view to either fixing the *1st April* as the date from which the new rates should be in force, or better still allowing exporters to submit a statement of business done up to date to which the *old* rates should be applied.

Thanking you for the trouble.—We are etc.,

per pro. Volkart Bros.,
J. MULLER.

No, 2298-289

Chamber of Commerce,
Bombay, 23rd December 1921.

The Secretary, Bombay Port Trust,
Bombay.

Sir,—I am directed to refer to your Circular notices Nos. 15 and 17, specifying certain amendments in the Scale of Rates to be introduced on and from the 1st January 1922, and, in connection therewith, to state that while my Committee do not desire in any way to comment upon the manner or extent to which the Trustees have found it expedient to increase the charges in question they are of opinion that the shortness of the notice given of the increased charges is likely to cause considerable inconvenience and loss to the various interests concerned.

2. So far as the notice in the present instance is concerned my Committee recognize the difficulties with which the Trustees were confronted but at the same time they consider that the decision to effect the increases might with advantage have been reached at an earlier date.

3. I am, however, to take this opportunity to suggest that if and when any further increases of a similar nature and upon so extensive a scale are under consideration it would be for the general benefit if the Trustees could arrange for more adequate notice to be given to the interested parties in order to enable them, so far as possible, to make the necessary provision for the increased charges in their forward business, which in the case of many firms is very heavy at the present season of the year.—I have etc,

C. B. SAYER,
Secretary.

No. P-8

Bombay Port Trust,
Bombay, 4th January 1922.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—I am directed to acknowledge receipt of your letter No. 2298-289 dated 23rd December 1921, regarding the recent amendments in the Dock Scale of Rates.

I am to say that the contents of your letter have been carefully noted and the suggestions of your Committee quoted in the final para. will be borne in mind if and when any further general revision of rates should come up for the Trustees' consideration.—Yours faithfully,

W. R. SHARPE,
Secretary.

APPENDIX Q-5.

FACILITIES FOR HANDLING COAL AT THE DOCKS.

Bombay Dyeing & Manufacturing Co. Ld,
Bombay, 10th December 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—We had the honour of addressing a letter to your Committee about 6 months ago about the difficulties in handling and distribution of Indian Coal in Bombay, and the difficulty of getting wagons to deliver Coal to the genuine consumers owing to the control by Government of all coal produced in India. We now beg to draw your attention to the difficulties experienced by the coal trade especially for the coal imported from the United Kingdom, South Africa and other countries by sea. Owing to the war, since 1914, all Indian as well as foreign coal trade which used to come by sea was stopped on account of the difficulty in getting steamers, and this difficulty continued right through the War and after the Armistice owing to the ships not being available to bring cargoes of coal to Bombay.

But the position during the last 6 months has completely changed. Owing to great many causes now there is more shipping available than at any time before. The price of coal both in England as well as in South Africa has fallen tremendously during the last 6 months since the English Miners' strike ended in June last, and now again as in the former days peace conditions are making themselves felt, and more and more coal is likely to be imported by sea into Bombay harbour, especially as the price of English coal compares very favourably just now with the price of Indian coal. It is therefore absolutely necessary that a Port of the importance and size of Bombay should make adequate provision for handling such coal imported by sea either from the United Kingdom or any other foreign country.

As far back as 1912 or 1913 owing to the difficulty in clearing boats and labour as well as Bunder accommodation, it was proposed by the Port Trust to build a Jetty specially for coal just outside the Prince's Dock where steamers could go alongside and discharge coal into the wagons straight away, and then such coal could be

taken on to the Mazagon Reclamation from which it could be carted to the local Mills or sent upcountry. That proposal was stopped owing to the war, but time has now come when some such proposal as that ought to be immediately taken up by the Bombay Port Trust and carried out at as early a date as possible.

The difficulties at present in handling steamer coal are many and great. Chief among them is the want of lighters to send alongside the steamers to give adequate and rapid discharge. The cause of the shortage of such lighters as we mentioned before was due to all imported coal by sea having ceased during the war, and the lighters that used to be in large numbers in Bombay in the olden days have ceased to exist. Therefore at times if 3 or 4 coal steamers come to Bombay at once, it is absolutely impossible to get an adequate number of lighters to discharge them at the rate of even 500 tons per day. Consequently the hire for lighters which always in the olden days used to be about Rs. 30 to Rs. 40 per 100 tons per day, at times rose up as high as Rs. 200 to Rs. 250 per 100 tons, and even then they were difficult to obtain.

Then again when these lighters come ashore there is only the Tank Bunder with adequate water at all tides, where these lighters may go and unload. If any lighter draws more than 4'-6', or 5', it cannot be taken except at very high tides to other Bunders at all. The space in the Tank Bunder is so inadequate that you cannot adequately discharge and get away to the Mills about 2000 to 2500 tons of coal, which Bombay ought to handle every day.

These difficulties are further accentuated by the difficulty in obtaining a sufficient number of carts to cart the coal to the Mills. The result is that coal cannot be handled so rapidly and adequately owing to the shortage of space in the first place, and the want of carts, as it ought to be in a modern port like Bombay. All these difficulties have so much enhanced the cost of handling coal that at times, it has cost during the months of August and September last, Rs. 5 to Rs. 6 per ton only for boat hire for taking delivery of the coal from the ships and putting it on the Bunder, and added to that the cost of bunder hire, customs duty, wharfage, cart hire to the Mills, this cost for coal imported by sea and delivered to the Mills has gone up at times as high as Rs. 12 per ton. This absurd state of matters does not reflect any credit for a modern port like Bombay, and

time has come when our Chamber as representative of the mercantile community should take steps to impress upon the Port Trust authorities that adequate provision should be made at once to handle the coal imported by sea.

The suggestions therefore that we would like your Committee to take up are

1. To establish a Dock for the import of coal, or failing that, a Jetty as proposed in 1912.
2. Pending such proposal being carried out, the Port Trust authorities should make arrangements by purchasing lighters if necessary and hiring them out at a fair hire to the trade for the quick discharge of steamers and rapid handling of coal.
3. Pending such installation of either a Dock or a Jetty as mentioned in No. 1. the Port Trust authorities should try and dredge some other bunders besides the Tank Bunder where the coal lighters can come at all states of the tide and unload at a good rate, and
4. The Port Trust authorities should at once make arrangements for an adequate amount of vacant ground to be provided to the Trade on the various bunders for handling such imported coal.

It is the duty of the Port Trust to encourage trade coming to Bombay. It is for that purpose the Port Trust is established, and it ought to keep up the reputation of the Port as being the finest and most up to date Port east of Suez, but unfortunately just now it is lagging far behind in Port facilities than any other important port not far off from Bombay. Calcutta specially built Docks for loading coal steamers, and we do not understand why a Port like Bombay should not have adequate Docks built for discharging the coal and handling them quickly so that consumers can get the delivery quickly and at a reasonable rate.

We trust that your Chamber will now take up the matter adequately and call upon the Port Trust to provide certain facilities at as early a date as possible, as this question has been pending for nearly 10 years to our knowledge and has evidently been shelved, and the time has now come when the Port Trust should wake up to its duties.—We have etc.,

For the Bombay Dyeing & Mfg. Co. Ltd,
NOWROJEE WADIA & SONS,
Agents.

No. 2226-163.

Chamber of Commerce,
Bombay, 12th December 1921.

W. R. Sharpe, Esq.,
The Secretary, Bombay Port Trust,
Bombay.

My dear Sharpe,—I enclose herewith a copy of a letter which I have just received from a member in connection with the existing arrangements for the unloading and stacking of foreign coal in Bombay.

Although I cannot, of course, say what view my Commmittee will take in the matter, I think you will agree that unnecessary official correspondence will probably be saved if you can let me have a note as to the action which your Board propose to take in the matter. I understand that the question has recently been under discussion in connnection with the B. B. & C. I. Railway's recent heavy purchases of Welsh Coal so that, I presume, you will not have any objection to furnishing me with just a short memorandum upon the point, if you wish any part of your remarks to be regarded as confidential they will not, of course, go any further than my Committee.—Yours sincerely,

C. B. SAYER,
Secretary.

No. B.-3652

Bombay Port Trust,
Bombay, 21st December 1921.

C. B. Sayer, Esq,
The Secretary, Chamber of Commerce,
Bombay.

My dear Sayer,—In reply to your letter of the 12th instant the Chairman asks me to say that the provision of additional facilities for handling sea-borne coal has for a long time past been receiving the close attention of the Port Trust.

Various proposals have been under consideration since 1912 and even prior to that year. vide the Chairman (Sir F. L. Sprott's) letter to the Chamber, No. 3905 of 1st September 1913. Owing to the war supervening, the schemes for providing additional wharfage for coal had to be indefinitely postponed in common with many other capital projects. In 1917 and again in 1919 further proposals were considered by the Trustees for taking in hand at the earliest practicable date the construction

of a new coal bunder between the south face of the Mazagon Sewree Reclamation and the Mazagon Coal Bunder (which had been completed in 1910 at a cost of Rs. 10½ lakhs). Provision was actually made in the current year's Capital Estimates for commencing this work but unfortunately, owing to financial reasons, Government found it necessary to cut down the allotment of loan funds to the Port Trust and the Capital programme had to be severely curtailed in consequence; only works actually in progress being retained in the programme. The provision for the new coal bunder was one of the items which had to be deleted.

In the meanwhile, however, the bunder and storage accommodation for coal had been greatly increased owing to the opening of the Mazagon Sewree Reclamation for trade. I enclose a plan of the Port Trust estates, on which is hatched red, the wharf and storage accommodation at present allocated to the coal trade. You will observe that this includes (a) the whole of the existing Coal Bunder and a considerable portion of Mazagon Bunder (b) the north-east portion of the Mazagon Sewree Reclamation wharf, originally intended for the new B. B. & C. I Railway Stores Yard; (c) a large area of storage plots east of the Grain Depot, Mazagon Sewree Reclamation,—(the construction of roads and Railway sidings to serve these plots is now being pushed forward as quickly as possible); (d) two berths in the Alexandra Dock which the Trustees have recently reserved as preferential berths for the discharge of coal,—one for the B. B. & C. I. Railway coal and the other for the general requirements of the trade. These berths have been allotted as a temporary measure pending the dredging of berths for coal on the Harbour wall and provision of sidings to serve them. It may be found possible temporarily to allocate a third berth in the Docks for discharge of coal but at present no assurance can be given on this point.

The Trustees intend to provide as an urgent work in next year's capital programme for a start to be made on the new Coal Bunder at Mazagon, shewn in dotted lines on the accompanying plan. This work, inclusive of roads and railway sidings, is estimated to cost about 34½ lakhs, and provided the necessary capital funds are forthcoming it should be possible to complete the work within a period of about two years. This, however, is entirely dependent on the ability of Government to allot sufficient funds to the Port Trust, the present arrange-

ment being that the capital borrowings of the Port Trust and other local bodies are merged in the Government of Bombay Development loans.

As regards the provision of lighters I am to say it appears that the sudden increase in imports of sea-borne coal has caught the trade unprepared. Prior to the war the supply of lighters was sufficient to meet all demands but shortages have not been replaced and the trade now finds that the supply is inadequate to meet the sudden influx of sea-borne coal. It would not be fair to blame the Port Trust for this state of things,—it has never been the Trustees' policy to provide lighters for trade requirements. This has always been regarded as a matter for private enterprise and in any case the existing financial stringency would debar the Trustees from purchasing and hiring coal lighters to the trade, as suggested by your correspondent.

As regards the suggestion that the Port Trust should dredge some other bunder besides the existing coal bunder for the accommodation of coal lighters, I am to point out that every available yard of bunder wharf has already been handed over to coal, and it would be impossible to allot any more without ousting other commodities,—indeed a considerable portion of the bunder frontage already occupied by coal has been provided at the expense of other trades.

The Chairman hopes that the foregoing explanation will convince your Committee that the Trustees are fully alive to the increased requirements of the coal trade and that they are taking all possible steps to deal with the situation.—Yours sincerely,

W. R. SHARPE,
Secretary.

No. 28-163

Chamber of Commerce,
Bombay, 6th January 1922.

The Bombay Dyeing and
Manufacturing Co., Ltd., Bombay.

Dear Sirs,—I am directed to acknowledge receipt of your letter, dated the 10th December 1921, in connection with the existing arrangements for the unloading and stacking of foreign coal in Bombay.

2. In reply I am to state that, as the result of a reference which they have made to the Port Trust on the subject, my Committee are satisfied that the Trustees are

doing all in their power to provide adequate facilities for the reception of foreign coal in Bombay, that they are fully alive to the increased requirements of the coal trade in that connection and that they are taking all possible steps to deal with the situation generally.

3. My Committee are accordingly unable to accept your suggestion that they should take any further action in the matter at the present juncture, but I am to say that they will continue, through their representatives on the Board, to urge the necessity for the provision of additional facilities of the nature described in your letter whenever occasion arises.—Yours faithfully,

C. B. SAYER,
Secretary.

APPENDIX **R-1.**

TOWN DUTY IN BOMBAY.

PROPOSED SUBSTITUTION OF A LIGHT TERMINAL TAX.

Extract from the proceedings at an Adjourned Ordinary Monthly Meeting of the Bombay Municipal Corporation held on Wednesday, the 9th February 1921.

On the application of the Commissioner, the Corporation also agreed to consider as urgent business the following :—

Letter from the Commissioner, No. M. C. 8/B, dated the 3rd January 1921 :—

"I have the honour to refer to the marginally quoted.

No. 460 of 10th April 1919, asking for a report on fresh ways and means by which the Municipal Revenue may be increased.	Resolutions of the Corporation, regarding proposals for improving the sources of income of the Municipality.
No. 3222 of 21st July 1919, forwarding for remarks Dr. K. E. Dadachanji's notes and suggestions on the subject.	....
No. 12209 of 26th January 1920, asking for a report regarding the advisability of levying license fees on trades and professions.	....

.....

..... But an alternative and most satisfactory method of increasing our revenue is readily available. Dr. Dadachanji in his interesting note has drawn special attention to the fact that the refunds of town duty invariably amount to more than 50 per cent. of the collections and has suggested certain modifications by which an increase in the Municipal receipts may be secured. But in my opinion it would be far preferable to abolish altogether the existing system of town duties and substitute therefor a non-refundable tax levied on all articles of certain descriptions imported into the city limits. At one time Government were strongly against such terminal taxes but at the present time such taxes are actually in force in Karachi, Ahmedabad and other towns and recently Government have sanctioned such a tax on cotton imported into this city. There is thus every reason to hope that they would raise no objection to such a proposal.

"A tax involving an elaborate system of refunds such as the present system does is the most objectionable and expensive form of indirect impost. In spite of our complicated rules for the security of claims for refund many loopholes for fraud remain and the system of checks imposed by the Municipality is a source of friction between the merchants and the refund audit Department. Some merchants have actually written to me and suggested the change proposed and from conversations I have had with others I gather that it would almost universally be regarded as a distinct improvement. Town duty is at present levied on a few articles only, including some daily necessaries of life such as grain, flour and firewood. There is no reason why these duties should not take the form of a light terminal tax which would still produce a revenue far in excess of that at present realized and would be free from the objections involved by the present expensive system of refunds. The selection of articles should be made so as to reach not only the local consumer but the general tax payer. Bombay is an Imperial city. Its development and the improvement of its communications and sanitation are matters not merely of local but also of imperial concern. The general taxpayer's contribution to the Municipal expenditure should be larger than at present. The recent duty on cotton will serve to enhance this contribution and it will further be augmented if a light duty on

other articles, such as coal and iron and steel, is imposed.

"In schedule H to the Municipal Act are given the articles at present liable to the payment of town duties with the maximum rates at which these duties may be levied. The income from town duties during the five years ending March 31st 1920 has averaged Rs. 19,73,000. I attach herewith a statement showing the quantities of various articles imported into Bombay by sea during the year 1916–1917 and by rail during 1918–1919 and the amount of revenue that might be realised therefrom by the imposition of light terminal tax of the nature suggested. Grain, flour and firewood have been shown separately and the only necessities of life included in the main list are sugar and ghee. It will be seen that the total revenue realizable at the rates suggested amounts to Rs. 35 lakhs. The rates of tax suggested are mostly those in force in Karachi but it must be understood that I have not enquired into each to see if it is appropriate and that the suggestions contained in this statement are only tentative. Such a tax would be a source of revenue which would expand with the growth of the city and the development of its commerce, would not be expensive to collect and would avoid the chicaneries and squabbles which the present system involves. If the Corporation approve of the proposal it will be necessary before approaching Government for the amendment of the Act to make further enquiry as to the exact articles which should be taxed and the immediate and the maximum rates at which the tax should be leviable and for this purpose I would suggest that a Committee be appointed to draw up, in consultation with me, a revised schedule, and subsequently to obtain the opinion of representatives of various interests concerned, more particularly those of the Chamber of Commerce and the Indian Merchants' Chamber and Bureau, and to submit final recommendations with a draft schedule of rates to the Corporation. .....

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Statement showing the rates of the proposed Terminal Tax and the amount likely to be realized.

Name of articles	1918–19	1916–17		Total	Taxation	Per	Total amount of duty	Remarks
	By rail	From foreign countries by sea	From coast ports					
	Rs.	Rs.	Rs.	Rs.	Rs. a. p.		Rs.	
Coal and Coke	3,11,37,165	9,09,822	33,272	3,20,80,259	0 0 6	Bengal maund	9,62,406	
Dyes and Tans	11,82,362	1,01,691	4,27,519	17,11,572	0 0 6	"	51,347	
Fodder	36,76,948	68,955	4,52,044	41,97,947	0 0 6	"	1,25,938	
Hides and skins	4,99,199	34,128	10,847	5,44,174	0 1 0	"	32,650	
Gunnies	9,38,530	.....	.....	9,38,530	0 1 0	"	56,311	
Oils	77,87,583	25,12,834	33,23,711	1,36,24,128	0 0 6	"	4,08,724	
Oil-seeds	28,57,480	1,33,497	17,76,212	47,67,189	0 0 1½	"	35,754	
Iron and Steel	10,26,285	20,33,892	97,490	31,57,667	0 0 6	"	94,728	
Tea	3,12,760	40,997	6,489	3,60,246	0 7 0	"	1,57,607	One pie per lb.

Sugar, Molasses and Gur ...	8,92,054	39,28,902	65,404	48,86,360	0	0	6	"	3,63,268	Actual Import in 1919-1920 is 11,624,576 Bengal maunds at 0-0-6 pies per Bengal maund comes to Rs. 3,63,268.
Timber	26,72,358	16,19,465	21,38,762	64,30,585	0	1	0	"	3,85,835	
Wool	3,32,250	1,30,374	62	4,62,686	0	1	0	"	27,761	
Ghee	2,98,530	244	87,324	3,86,098	0	12	0	"	2,89,573	The present duty per Bengal maund is Rs. 1-13-5.
Wines and Spirits... ...	.....	.....	.....	*11,70,841	0	2	0	Imperial gallon	1,46,354	
Beer	.....	.....	.....	13,21,450	0	0	3	"	20,646	
Nuts and Dry Fruits ...	4,69,550	10,26,991	.....	14,96,541	0	1	0	Bengal maund	93,534	
Spices of all sorts	3,32,176	3,25,010	3,72,971	10,30,157	0	0	6	"	32,192	
Motor Wagons ... ... / " Cars ... ... / " Cycles	.....	.....	.....	83,81,158 (Value in Rs.)	2	8	0	Per cent. on value.	2,09,528	Rate to be charged on value fixed by Customs.
Machinery worked by electric steam or manual power for mills and factories.	.....	.....	.....	9,33,413 (Value in Rs.)	2	8	0	"	23,335	Do.

* Actual quantity imported during 1919-20.

Proposed by Dr. Nadirshaw H. E. Sukhia, seconded by Dr. S. S. Batliwala.

That the letter from the Commissioner, No. M.C. 8/B, dated the 3rd January 1921, regarding proposals for improving the sources of income of the Municipality, be referred for consideration, in consultation with the Commissioner, and for report to the Committee appointed by Corporation Resolution No. 9796, dated the 13th November 1919, regarding steps to be taken to meet the growing liabilities of the Corporation.

Amendment. Proposed by Dr. Accacio G. Viegas, seconded by Dr. Moreshwar C. Javle.

No. 10864.

"That the letter from the Commissioner, No. M.C. 8/B dated the 3rd January 1921, regarding proposals for improving the sources of income of the Municipality, be referred for consideration, in consultation with the Commissioner, and for report to a Committee * composed of the following Councillors:—

(1) The President; (2) The Chairman of the Standing Committee; (3) The Hon'ble Mr. Phiroze C. Sethna, O.B.E.; (4) Mr. Jamsetji A. Wadia; (5) Mr. D. S. Shellim; (6) Mr. Rahimtulla Currimbhoy; (7) Mr. N. M. Dumasia; (8) Dr. K. E. Dadachanji; (9) Dr. Dinsha Bamanji Pestanji Master; (10) Dr. S. S. Batliwala; (11) Dr. Nadirshaw H. E. Sukhia; (12) Mr. H. P. Mody; (13) Mr. R. B. Mantri; (14) Sir Sassoon David, Bart. (15) Dr. A. G. Viegas; (16) The Hon'ble Sir Dinshaw Petit, Bart. (17) Dr. Moreshwar C. Javle; (18) Rao Saheb Manaji Rajooji Kalewar (19) Dr. Jehangir J. Cursetji; (20) Mr. Mahomed Hoosen A. Havelivala; (21) Dr. Ratanshah T. Nariman; (22) Mr. Gulabchand Devchand; (23) Mr. Cowasji Jehangir, C.I.E., O.B.E., (24) Mr. P. J. Marzban; (25) Mr. B. N. Motivala; (26) Mr. B. N. Gamudia; (27) Mr. Hansraj Pragji Thackersey."

After discussion, the Amendment, on being put to the vote, was carried by 12 votes against 4.

It was also carried as a substantive proposition by 11 votes against 5.

* Notice of a motion to add Mr. W. Turner Green to the Committee was given at a meeting held on 1st April 1921.

No. 25-412-7

Bombay Municipality
18th February, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I have the honour, by direction, to inform you that a proposal is under consideration to substitute a non-refundable duty equivalent to a light Terminal Tax in place of the present Town Duty and to request the favour of your views and any suggestions you may wish to offer. I would invite a reference on this subject to your letter dated 28-2-1903. The articles so far proposed to be taxed are shown below :—

Name of article		Taxation			Per
Coal and Coke	...	0	0	6	Bengal Maund
Dyes and Tans	...	0	0	6	"
Fodder	...	0	0	6	"
Hides and Skins	...	0	1	0	"
Gunnies	...	0	1	0	"
Oils	...	0	0	6	"
Oil seeds	...	0	0	1¼	"
Iron and Steel	...	0	0	6	"
Tea	...	0	7	0	"
Sugar, Molasses and Gur	...	0	0	6	"
Timber	...	0	1	0	"
Wool	...	0	1	0	"
Ghee	...	0	12	0	"
Wines and Spirits ...	...	0	2	0	Imperial Gallon
Beer	...	0	0	3	"
Nuts and Dry Fruits	...	0	1	0	Bengal Maund
Spices of all sorts	...	0	0	6	"
Motor Wagons, " Cars, " Cycles	...	2	8	0	Per cent. on value.
Machinery worked by electric steam or manual power for mills and factories	...	2	8	0	"

I have etc.,

H. WALD,

Dy. Assessor and Town Duty Refund Officer.

No. 441-98 of 1921.

Chamber of Commerce,
Bombay, 25th February 1921.

The Members of the
Bombay Chamber of Commerce.

Gentlemen,—I am directed to circulate herewith a copy of a letter received from the Bombay Municipality in regard to a proposal to substitute a non-refundable duty equivalent to a light Terminal Tax in place of the present Town Duty and to request you kindly to communicate to me as soon as possible your views on the proposals.—I am, gentlemen, Yours faithfully,

H. ROYAL,
for Secretary.

Lipton's Building,
Bombay, 28th February 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—We beg to acknowledge receipt of your letter No. 441-98 of 1921 of the 25th instant, and have to state that although we have no objection to the substitution of a non-refundable duty equivalent to a light Termial Tax, in place of the present Town Duty, we are of the opinion that "tea" should not be included, owing to the present depressed state of the market together with the fact that the consumption of "tea" has of late been greatly reduced due to the boycotting of tea shops; and any addition to the cost, no matter how small, will still further affect the consumption of this unharmful beverage, for which the Tea Cess Committee have done so much, of late years, to foster and increase.—Yours faithfully,

For Lipton, Limited,
W. BLACKWELL.

Bombay 1st March 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—In reply to your circular letter of 25th ult. regarding the proposed Terminal Tax in lieu of Town

Duty within the limits of the Bombay Municipality, we have to say the following :—

1. From the point of view of the merchant, the imposition of a small Terminal Tax instead of the Town Duty with its cumbersome system of refunds, is to be welcomed as it simplifies greatly the handling of goods.

2. The proposed rates seem reasonable, with the exception of the proposed tax of 2½% ad valorem on motor cars and machinery. We do not think that such a heavy duty is justified on consignments of such valuable goods passing through Bombay :

3. The mode of selection of the different articles to be subjected to the Terminal Tax is not understood. We notice that wheat and foodgrains are omitted. Does this mean there will be no tax, either Town Duty or Terminal Tax, levied thereon in future? Iron and steel are to be taxed, but not so, apparently, yellow metal and copper?

4. We do not understand why the Bengal maund has been selected as weight unit. It is foreign to this side of India and we think the cwt. could with advantage be substituted.—Yours faithfully,

per pro. Volkart Bros,
L. VOLKART.

No 927.

Standard Oil Company of New York,
Bombay, 1st March 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—We beg to acknowledge receipt of your Circular Letter No. 441-98 dated February 25th 1921 and would inquire why the Terminal Tax should now be imposed when it was never imposed before.—Yours truly,

W. J. THORAN,
Standard Oil Co. of New York.

Bombay Dyeing & Manufacturing Co., Ltd.
Bombay, 1st March 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—We are in receipt of your letter No. 441/98 of 1921 dated the 25th February circulating for the information of members a copy of a letter received

from the Bombay Municipality in regard to the proposal to substitute a non-refundable duty equivalent to a light Terminal Tax in place of the present Town Duty.

We have carefully considered the proposal, and we think the schedule mentioned therein is monstrous. It would become an addition to the import duty levied by the Government of India all over India for import of goods from abroad, and it is also an additional import duty for goods brought into Bombay by rail.

We may observe in the first place that many more articles are added than provided for in Schedule H section 192 of the Bombay Municipal Act. The rate of duty charged is monstrous in our opinion. Coal and Coke at 6 pies per Bengal maund will amount to Rs. 0-14-0 per ton. Dyes and Tanning Materials also at the same rate, Hides and Skins, Gunnies, Oils, Oil Seeds, Iron & Steel, Tea, Wool, Motor Wagons, Cars, Cycles and Machinery are also extra items which were not included in the original Schedule H, and in the case of Motor Wagons, Cars and Cycles and Machinery the proposal to charge an *ad valorem* duty of 2½ per cent. which we think is again monstrous.

We are therefore of opinion that the Chamber should lodge a strong protest against the Terminal Tax proposed. In fact, in our opinion, now it is imperative that all kinds of Terminal Tax or Town Duties should be abolished once for all, and if the Municipality wants more revenue, they should get it by the increase of general tax and not by the imposition of Terminal Tax.

We would draw the attention of the Committee of the Chamber to the final letter addressed by the Secretary of our Chamber to the Municipal Commissioner on the 29th December 1903, in which after stating the Chambers' reasons for abandoning the scheme of transit duties, the then Committee raised the larger question of the abolition of Town Duty entirely.

We therefore trust that our Committee now will take a strong stand in the matter.—Yours faithfully,

For The Bombay Dyeing & Mfg. Co. Ld.,
NOWROJEE WADIA & SONS,
Agents.

Bombay, 2nd March 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—In reply to your Circular No. 441-98 dated 25th ultimo, we enclose a copy of our letter to the Dy. Assessor and Town Duty Refund Officer for your information.—We are etc.,

For Phipson & Company Ltd.
P. SANDERSON,
Managing Director.

Phipson & Co., Ltd.,
Bombay, 28th February 1921.

The Deputy Assessor and
Town Duty Refund Officer,
Bombay Municipality, Bombay.

Dear Sir,—We beg to acknowledge receipt of your letter of the 25th February.

If the Municipality is unable to abolish a terminal tax in its entirety, a tax which is against the interests of the Mercantile Community of the City and therefore against the City's best interests, it is certainly better that the fee in the case of Wines and Spirits should be reduced by 50 per cent. and no refunds paid rather than that the present system should be maintained.

Any terminal tax on Wines and Spirits is detrimental to the trade of this city seeing that the other ports in this country do not impose such taxes but any system which by reducing the first charge will do away with the necessity of claiming refunds, is owing to the difficulties experienced in obtaining refunds, to be commended in comparison with the existing state of affairs.

The Town Duty or Terminal Tax should be abolished in the case of Beer in Bulk as the proportion of casks retained for consumption in this Town is infinitesimal and any tax would act to the disadvantage of Bombay Trade in competition with Karachi.

In view of the competitive days which lie before us may we point out that four annas very often represents the profit made by dealers on the sale of a case of Wine or Spirit.—We are, etc.,

P. SANDERSON,
Managing Director.

Ref. F.B.S./K2.

Bombay, 2nd March 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—In reply to your circular memo No. 441/98 of 25th ultimo, submitting copy of letter received from the Bombay Municipality regarding proposal to substitute a non-refundable duty equivalent to a light Terminal Tax, we are strongly of opinion that any such proposal should be negatived, and if a Terminal Tax is levied, it should only apply in case of need to indigenous products.

In our opinion, it will be distinctly unfair to levy any such tax on say, machinery and motor cars, which particular items will now be assessed under the new Budget with a very heavy Government import duty, and the proposed taxation will prejudice the sales of goods imported into Bombay as compared with imports of similar goods through other Indian ports, where no corresponding Terminal Tax exists.

In conclusion, we think a Terminal Tax, such as the one proposed, is wrong in principle.—We are etc.,

DUNCAN STRATTON & CO.,

Bombay Company, Limited,
Bombay, 2nd March 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—We have to acknowledge your circular letter No. 441/98 of February 25th concerning the proposal by the Bombay Municipality to substitute a non-refundable duty in place of the present Town Duty.

As regards most of the articles mentioned in the list in which we are interested we have no objection to the proposal. In fact the change in certain instances would be welcome as the proposed tax is in several cases light and does away with the very great trouble now caused by the system of refunds. As regards the proposed tax on machinery, however, we think that the Chamber should enter a strong protest. The Municipality proposes to levy a tax on this at the rate of 2½ per cent. The new Imperial budget imposes a customs duty at the same

rate, and mills would therefore have to bear in future a charge of 5 per cent. on new machinery and spare parts imported by them. We consider it wrong in principle that the Municipality should impose a tax which may check the expansion of an industry upon which the prosperity of Bombay so largely depends.

If, for financial reasons, this tax has to be imposed we consider that it should be refundable on machinery passing through Bombay. Upcountry mills have their own municipal taxes to bear, and receive no direct benefit from the Bombay Municipality. If the tax be insisted upon such upcountry mills will probably import their machinery through other ports, wherever such a course is possible.

We are not aware of the legal aspect of this question viz. whether this tax is not ultra vires. We presume that there are some limits to the Municipality's power of levying such taxes, as otherwise it would be within the power of the Municipalities of the chief ports to upset the fiscal policy of the country.—We are etc.,

For the Bombay Company Limited,
C. H. GOODALL,
Managing Director.

Bombay, 2nd March 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—With reference to your circular letter No. 441/98 of the 25th ult. regarding the imposition of a Terminal Tax in place of the present Town Duty, we have to say that we see no objection generally to a tax of this nature provided that it does not operate with undue severity on any particular article.

It appears to us that the proposed tax of 2½ per cent. *ad valorem* on motor wagons, cars, cycles and machinery for mills and factories comes within the latter category, and we particularly object to the proposed tax on machinery for mills and factories.

We would point out that a tax of 2½ per cent. is unduly heavy and would in itself operate very harshly on mills and factories outside Bombay. But in view of the fact that it is proposed in connection with the 1921 Budget to impose an import duty of 2½ per cent. on mill machinery which formerly came into India free of duty, we think

the Chamber should strongly oppose the proposed Terminal Tax on this particular article.—Yours faithfully,

For Forbes Forbes, Campbell & Co., Ltd.,
V. A. GRANTHAM,
Joint General Manager.

Bombay, 3rd March 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—We are in receipt of your No. 441/91 of 1921 dated 25th ultimo regarding the proposal to substitute a non-refundable duty in place of the present Town duty, and in reply would inform you that we are inclined to favour the proposal.—Yours faithfully,

per pro. J. A. Begbie & Co.,
B. G. DAVY.

Bombay, 10th March 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—We beg to acknowledge receipt of your letter No. 441/98 dated the 25th ultimo, giving cover to a copy of a letter received from the Bombay Municipality in regard to a proposal to substitute a non-refundable duty equivalent to a light Terminal Tax in place of the present Town Duty on the articles enumerated therein, and to point out to you that up to now there has been no Town Duty on Coal, Coke, Iron and Steel. We therefore believe that before imposing the Terminal Tax, the matter should be well considered by the Municipal Corporation, because Coke, Coal, Iron and Steel are articles that are essential for all industries.—Yours faithfully,

Tata Sons, Limited,
JOHN PETERSON,
Director.

B-Y

Bombay, 10th March 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—In reply to your circular of the 25th ultimo regarding Terminal Tax which the Bombay Municipality have under consideration, we presume that if such a tax

is brought into force it will be clearly understood that the purchaser has to bear the same. This is particularly important in regard to machinery contracts where 2½% has not been allowed for, and it would be unfair on the supplier of such machinery that he should be called upon to pay this tax.

No doubt, Government would legislate for this contingency.—Yours faithfully,

Macbeth Brothers & Co., Ltd.,
K. B. MACBETH,
Director.

No. 2793-21

Bombay, 9th March 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—With reference to your letter No. 441-98 dated 25th ultimo, I beg to forward for your information copy of letter of this date addressed by the company to the Town Duty Refund Officer in reply to his letter No. 412-A regarding the imposition of a Terminal Tax upon certain commodities imported into Bombay.—Yours faithfully,

The Bombay Electric Supply & Tramways Co., Ltd.,
F. C. REMINGTON,
Managing Director.

No. 2794-21

Bombay, 9th March 1921.

The Dy. Assessor and
Town Duty Refund Officer,
Bombay Municipality, Bombay.

Sir,—In reply to your letter No. TD-412-81-A dated 21st ultimo I have the honour to say that while this Company has no objection to urge to a non-refundable Terminal Tax being levied in place of the present Town Duty on those commodities which are already assessed for payment of the latter it must most strongly protest against Coal and Coke being added to the list. Our reasons for making this protest are that the cost of coal

is already more than double what it stood at 10 years ago and that there is reason to fear that its transportation charges to Bombay by rail will in the near future be still further raised. To enhance further the very high price of coal by the suggested new duty equivalent to fourteen annas per ton is further to tax industries who employ it for the generation of their motive power, and we have the honour to submit that the present period of industrial and commercial depression is a singularly unsuitable one at which to introduce any such additional enhancement of its cost.—I have etc.,

The Bombay Electric Supply & Tramways Co. Ltd.,
F. C. REMINGTON,
Managing Director.

No. K-67-432

Bombay, 1st March 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—With reference to your Circular No. 441-98 dated the 25th ultimo appending copy of a letter from the Bombay Municipality in regard to a proposal to levy a terminal tax on certain articles, we would like to point out that with the exception of Sugar Molasses and Gur, Timber, Ghee, Wines, Spirits and Beer, the other articles do not pay any town duty at present, and that therefore the tax which the Municipality propose to make is altogether a new charge and it is not a light one when compared with the relative price of each of the articles enumerated. For instance, sugar which is worth Rs. 30 per cwt. or Rs. 600 per ton is intended to pay 6 pies per Bengal Maund or 13½ annas per ton, while a ton of Rail borne coal which is not worth more than a cwt. of sugar is supposed to pay the same tax. The Municipality have not put forward any valid reasons for the proposed tax, and unless they can make out a strong case in support of it, we are of the opinion that it should be vetoed.—Yours faithfully,

For and on behalf of Turner, Morrison & Co. Ltd.,
T. W. DOWDING,
Director.

No. 812-21

Bombay Gas Co., Limited,
Bombay, 28th February 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—In reply to yours of the 25th inst., the above appears to concern exporters only and we have no remarks to offer.—Yours faithfully,

A. R. BURCH,
General Manager.

No. 547-98

Chamber of Commerce,
Bombay, 10th March 1921.

Messrs. Bombay Gas Co., Ltd,
Bombay.

Dear Sirs,—With reference to your letter, No. 812-21, of the 28th ultimo, I would observe that your assumption that the proposed Terminal Tax concerns exporters only is incorrect. According to the proposals as they stand at present every ton of coal received into Bombay by land or sea, irrespective of whether it is consumed locally or re-exported, will be subject to a tax of 6 pies per Bengal maund. I understand that the Municipality anticipate a revenue of Rs. 9 lakhs under that heading alone; the incidence of the tax, it may reasonably be assumed, will fall upon the consumer in all cases in which the coal is consumed locally.—Yours faithfully,

C. B. SAYER,
Secretary.

No. 1091-21.

Bombay Gas Co., Limited,
Bombay, 16th March 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,— In reply to yours of the 10th inst., our letter No. 812-21 of the 28th ult. was written under a misapprehension since your No. 441-98 of the 25th ult. was misunderstood owing to this Company not at present paying any Town Duty.

Your No. 441-98 refers to "light" Terminal Tax. This, however, at 6 pies or ½ anna per Bengal maund amounts

to as. 14 (annas fourteen) per ton, and I earnestly protest against the imposition of this Terminal Tax on coals in view of the Terminal Tax of As. 2-3 pies per ton already paid, which proposed tax will now make over Re. 1 per ton. In this connection I understand that the present freight rate for coals from Radhagnagar to Bombay is to be increased on April 1st from Rs. 12-14 per ton to Rs. 14-10 per ton. These increasing burdens must naturally react on the price at which this Company is able to supply gas to its consumers and for public lighting, and I have advised the Municipal Commissioner that certain figures we have quoted for the public lighting must be considered as subject to the imposition of this tax.

I venture to think that the Municipal financial requirements should be met by general taxation on the public and not by taxing individuals and trades in the manner proposed.—Yours faithfully,

A. R. BURCH,
General Manager.

No. 140-21.

Bombay Gas Co., Limited,
Bombay, 17th March 1921.

The Municipal Commissioner,
Bombay Municipality, Bombay.

Sir,— In his No. 20-412A of the 18th ult. the Municipal Dy. Assessor and Town Duty Refund Officer has written to the Bombay Chamber of Commerce that a proposal is under consideration to substitute a non-refundable duty equivalent to a light Terminal Tax in place of the present Town Duty, and requesting the views of the Chamber on the proposal. Accordingly the Committee of the Chamber circulated this letter to members for their views.

In the first instance, since this Company has not hitherto paid any Town Duty, under a misapprehension I informed the Chamber on the 28th ult. that the matter appeared to concern exporters only. I now hear, however, from the Chamber, copy of Secretary's No. 547-98 of the 10th inst. enclosed, that it is proposed to tax all coal arriving in Bombay.

In these circumstances I addressed the Chamber as per my No. 1091-21 of the 16th inst., copy enclosed.

It is not stated in the Dy. Assessor and Town Duty Refund Officer's No. 20-412A under whose consideration the matter lies. I am therefore venturing to address you direct on the matter since the proposal is one that threatens seriously to increase the already high costs of coal for this Company.

I have now the honour to submit for your consideration and representation to the Corporation if necessary that this Public Utility Company should be exempt from the proposed Terminal Tax, if imposed, amounting as it does to as. 14 per ton of coal in order that gas may be supplied to the public as cheaply as possible and that our offer to renew the Public Lighting Agreement on the present terms for gas and maintenance may not be affected. At present I should be obliged if you would consider our offer for the public lighting as being subject to increase if this Terminal Tax is imposed.—I have etc,

A. R. BURCH,
General Manager.

No. 1117-21 of 17th March 1921.

Copy forwarded to the Secretary, Chamber of Commerce, with reference to our No. 1091-21 of the 10th inst.

A. R. BURCH,
General Manager.

No. G. L. 486.

Shaw Wallace & Co.,
Bombay 17th March 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,— We beg to refer you to your circular No. 441-98 of 1921 regarding the proposal of the Bombay Municipality to impose a Terminal Tax on certain articles in lieu of the present Town Duty.

Amongst these articles oils are included. In view of the fact that most of the oils imported into Bombay are despatched into the mofussil, only a very small proportion being consumed within Municipal limits, the incidence of the tax will be most inequitable in that the upcountry consumer will be required to pay a tax to a Municipality from which he derives no benefit.

We also consider that the tax is excessive and will be glad if you will inform us whether any protest against the proposal is to be made by the Chamber, as we desire to associate ourselves with any such protest.

Can you inform us whether the Municipality is empowered by law to impose such a tax as is now under consideration ?—Yours faithfully,

SHAW WALLACE & Co.

No. 947-319.

Bombay 17th March 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,— With reference to your circular letter No. 441-98 dated 25th February 1921, we can only speak as regards the Iron & Steel, Motor Wagons and Machinery, and in respect to these, we may say that we consider the proposed taxation to be exorbitant.—We are etc.,

Turner, Hoare and Co, Ltd.,
W. G. WARBURTON,
Director.

G-1707.

Bombay 1st April 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—We have for acknowledgment your circular letter No. 441-98 dated Bombay the 25th 1921, from which we note that the Bombay Municipality propose to substiitute a non-refundable duty equivalent to alight Terminal Tax in place of the present Town Duty.

We find that Cigarettes and Tobacco are not included in the list of articles submitted by you, on which it is proposed to charge a light Terminal tax, and we shall be glad to know whether these articles will be included.

We are very much in favour of the abolition of Town Duty on Cigarettes and Tobacco, as this is a very severe handicap to our business, and we would welcome the substitution of a Terminal Tax, *provided it is light*, for a very considerable percentage of the goods which we clear at this port, are distributed to all ports of India, and the same remarks apply to goods received which are manufactured in India.

Will you kindly advise us of the decision arrived at as early as possible.—Yours faithfully,

p. p. The Imperial Tobacco Co. of India, Ltd.,

A. E. KIBBLEWHITE.

No. B-5405

Bombay, 12th April 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—We enclose herewith copies of correspondence which has passed between the Bombay Municipality and ourselves on the subject of a proposed Terminal Tax.

We wish to protest most strongly against the proposed tax in so far as it would affect the business of this Company and as we think that the Municipality will probably pay more attention to our views if they are submitted through the Chamber of Commerce we give you our views below in the hope that you will take the matter up with the Municipality on our behalf.

We are of opinion that whilst the Municipality is of course entitled to levy what taxes it considers necessary upon the inhabitants of Bombay it should not be allowed to put a tax upon mofussil inhabitants in order to enable it to balance its revenue with its general expenditure.

At present no tax is levied upon our commodities in Bombay but the proposed tax, if levied, would bring into the Municipal coffers a sum amounting to approximately ten times that which is at present paid by us to the Municipality in ordinary Rates and Taxes.

In the event of the tax being levied we should find it necessary to recoup ourselves for the extra expenditure by increasing the selling prices of our commodities and, as only a very small percentage of our total trade is done in Bombay, Mofussil buyers would have to contribute considerably the greater portion of the total sum involved.

We do not know whether the Municipal Act allows a tax, such as that proposed to be levied, but we presume the Municipality has taken the best legal advice on the subject. In lodging our protest, however, we should ask to be informed on this point.

To give you a fair idea as to the revenue which would accrue to the Municipality from this Company alone, should the tax be levied, we show below approximate

figures of our estimated imports into Bombay for one year and the approximate figures to which the proposed tax on those imports would amount.

		Approx. amount of tax.
Kerosine Oil	1,32,16,000 gallons	Rs. 41,500
Liquid Fuel	12,000 Tons	„ 12,000
Petrol	14,00,000 Gallons	„ 4,000

Provided facilities for the discharge of bulk Petrol are available.—We are etc.

For the Asiatic Petroleum Co. (India) Ld.,

R. T. H. MACKENZIE.

Copy of letter No. B-1892 of 11-3-21 from the Asiatic Petroleum Co. (India) Ltd. to the Dy. Assessor & Town Duty Refund Officer, Bombay Municipality, Bombay.

"With reference to your letter No. TD-412-A-96 dated 22-2-21 a representative from this office was given to understand during an interview with the Dy. Commissioner some days ago that it is proposed that the suggested terminal tax should be levied on all imports into Bombay (by sea, land or air).

We shall be obliged if you will confirm this and if you will also advise as to what the present Town Duty is and how and on what articles it is levied.

We shall be obliged if you will let us have this information as early as possible."

Copy of letter No. TD-412-A-96 of 19th March 1920, from the Dy. Assessor & Town Duty Refund Officer, Bombay Municipality, Bombay, to the Manager, The Asiatic Petroleum Co. (India) Ltd.

With reference to your letter dated 11th instant., I have the honour to inform you that a proposal is under consideration to substitute a non-refundable duty (a light Terminal Tax) in place of the present Town Duty. The articles so far proposed to be taxed are shown below.

Names of Article	Taxation	Per
Coal & Coke	... 0 0 6	Bengal Maund
Dyes & Tans	... 0 0 6	do
Fodder	... 0 0 6	do
Hides & Skins	... 0 1 0	do

Names of Article.	Taxation.			Per
Gunnies ...	0	1	0	Bengal Maund.
Oils ...	0	0	6	do
Oilseeds ...	0	0	1½	do
Iron & Steel ...	0	0	6	do
Tea ...	0	7	0	do
Sugar, Molasses & Gur ...	0	0	6	do
Timber ...	0	1	0	do
Wool ...	0	1	0	do
Ghee ...	0	12	0	do
Wines & Spirits ...	0	2	0	Imperial Gallon
Beer ...	0	0	3	do
Nuts & Dry fruits ...	0	1	0	Bengal Maund
Spices of all Sorts ...	0	0	6	do
Motor wagons, „ Cars, „ Cycles ...	2	8	0	Per cent on value
Machinery worked by electric, steam or manual power for Mills and Factories ...	2	8	0	do

The accompanying list will show the Town Duty as levied at present.

The following Table of Rates at which Town Duties will be levied from 1st April 1920, is published for public information under section 193 of the Municipal Act:—

		Rs.	As.	P.
Grain of all sorts	Per Candy	0	6	0
Flour of all sorts	75 per cent of the rate at the time being levied on the grain from which the flour is prepared.			
Wines & Spirits ...	Per Imperial Gallon	0	4	0
Beer	do	0	0	6
Sugar, Molasses & Gur	Per Cwt	0	8	0
Ghee	Per Bombay Maund	0	10	0
Firewood	... Per candy	0	2	0

Timber, excluding Rly. sleepers ... 2½ per cent on market value.

H. B. CLAYTON,
Ag. Municipal Commissioner
for the City of Bombay.

Municipal Offices,
Bombay, 15th January 1920.

Copy of letter dated 22nd March 21. No. B. 4475, from the Asiatic Petroleum Co. (India) Ld. Bombay, to the Dy. Assessor & Town Duty Refund Officer, Bombay Municipality, Bombay.

"With reference to your letter No. TD-412-A of the 19th instant, we have to thank you for the information contained in the table of rates attached to your letter, but we regret to state that in your letter you have failed to reply to the first paragraph of our letter of the 11th instant in which we asked you kindly to confirm the statement which was made to your representative by the Dy. Commissioner at a recent interview which was to the effect that the proposed non-refundable duty will be levied on all articles enumerated in your list which will be imported into Bombay whether for local consumption or for despatch up-country."

Copy of a letter No. TD-412-A of 1920-1921 from the Dy. Assr. & Town Duty Refund Officer, Bombay Municipality, to the Asiatic Petroleum Co. (India) Ltd. Bombay, dated, Bombay,) 31st March 1921.

" With reference to your letter dated the 22nd March 1921 I have the honour to say that the proposed Terminal Tax is to be levied on articles named in the list imported into Bombay (such articles if exported are not exempted from the tax). This matter has, however, still to be considered by the Municipal Corporation."

No. 713-98.

Chamber of Commerce,
Bombay, 7th April 1921.

The Deputy Assessor & Town Duty Officer,
Bombay Municipality, Bombay.

Sir,— I am directed to acknowledge receipt of your letter, No. 25-412-A, dated the 18th February 1921, advising my Committee of a proposal to substitute a non-refundable duty equivalent to a light Terminal Tax, in place of the present Town Duties and inviting an expression of their views on the measures under consideration.

2. My Committee are unable to express a considered opinion in regard to the manner in which the trade in the individual articles which it is proposed to tax will be affected until they are in possession of more detailed information in regard to the nature and incidence of any similar taxes levied by the Municipal Authorities in the other ports, e. g. Calcutta, Madras and Karachi. I am accordingly to request that you will be good enough to inform my Committee whether the Municipalities of the three ports mentioned have imposed similar duties and, if so, in respect of which commodities the taxes are levied together with figures showing the total incidence of the taxation on each commodity.

3. In the meantime my Committee desire me to state that they are in general agreement with the substance of the arguments advanced by the principal public utility Companies in this city against the proposals so far as they relate to coal.

4. My Committee desire also to register a very strong protest against the proposed tax on machinery in view of the provisions of the Finance Act, 1921, which impose a similar rate of duty for customs purposes. My Committee consider it wrong in principle that the Municipality should impose a tax which may check the expansion of the mill industry, upon which the prosperity of Bombay so largely depends. From figures supplied by the Municipality in this connection it would appear that the approximate total amount of revenue likely to accrue from this source is only Rs. 23,335. In view however, of the enhanced prices now ruling my Committee would be glad to receive some indication as to the manner in which that amount is arrived at. They would also appreciate a similar statement in respect of each commodity which it is now proposed to tax for the first time.

5. In view of the singularly laconic nature of the information so far afforded my Committee upon a matter which affects very vitally the majority of members of this Chamber my Committee will appreciate the favour of a very early reply to the various points raised in this letter.—I have etc.,

C. B. SAYER,

Secretary.

No. 25-412-A

Bombay Municipality,
Bombay, 4th April 1921.

Proposed Terminal Tax.

Sir,— I have the honour to inform you that with the best of intentions to help you I have not the particulars available to furnish the information desired,—I have etc,

H. WALD.
Dy. Assr. & Town Duty Refund Officer.

No. 835-98.

Chamber of Commerce,
Bombay, 21st April 1921.

The Secretary, Bengal Chamber of Commerce,
Calcutta.

Dear Sir,— I am desired by the Committee of the Bombay Chamber of Commerce to ask you kindly to furnish them with detailed information as to any Town Duties or Terminal Taxes that may be levied by the Municipality at your port.

I am to add that any assistance you may be able to render my Committee in this connection will be much appreciated.— Yours faithfully,

H. ROYAL,
for Secretary.

Similar letters to the Madras & Karachi Chambers of Commerce.

No. 1011

Bengal Chamber of Commerce,
Calcutta, 26th April 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—Your letter No. 835/98 dated 21st April 1921. No town duties or terminal taxes are levied by the Corporation of Calcutta.—Yours faithfully,

H. M. HAYWOOD,
Secretary.

No. 384.

Chamber of Commerce,
Karachi, 25th April 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—In reply to your letter of the 21st instant, I beg to forward under separate cover, a copy of the

Rules and Byelaws of the Karachi Municipality relating to terminal tax levied under the Bombay District Municipal Act.—Yours faithfully,

ALAN DUGUID,
Secretary.

APPENDIX D.

Rules and Bye-laws, framed under Sections 46 and 48, relating to Terminal Tax levied under Section 59 (*b*) (XI) of the Bombay District Municipal Act III of 1901.

(*Sanctioned under the Commissioner in Sind's No. 616, dated 21st May 1917*).

1. In these Rules and Bye-laws, unless there is something repugnant in the subject or context—

Definitions.

(*a*) "Import" shall mean the bringing in of goods into the Terminal Tax limits, from outside these limits,

(*b*) "Importer" shall include the person in whose name the Railway document or the Customs Import Entry is made out or the person in possession of the goods on which the tax is leviable and shall also include a purchaser from Government of any dutiable goods which have been exempted from duty under Rule 6. Should the tax become leviable at auction sales held by the Railway, Customs or Municipal authorities, the buyer shall be held to be the importer of the goods.

(*c*) "Terminal Tax" means an octroi levied on the import of goods within the Terminal Tax limits of the Karachi Municipality, such octroi not being liable to be refunded on the export of such goods from such limits.

(*d*) "Terminal Tax Collecting Station" means every place appointed by the Karachi Municipality for the recovery of the terminal tax.

(*e*) "Terminal Tax Collecting Officer" means every Officer, Clerk, Munshi or servant employed by the Karachi Municipality to collect the terminal tax at a Terminal Tax Collecting Station.

Terminal Tax Limits.

2. The "Terminal Tax limits" of the Karachi Municipality shall be the area notified from time to time under section 4 of the Bombay District Municipal Act, 1901, as the Karachi Municipal District.

Terminal Tax Collecting Stations.

3. The Terminal Tax Collecting Stations are as follows:—

(*a*) The Municipal Head Office on McLeod Road near Telegraph Office.

(*b*) The Head Collecting Station on McLeod Road near the Goods Office of the North-Western Railway, City Station Yard.

(*c*) The North-Western Railway Station at Cantonment, City Thole Produce Yard and Keamari and the Municipal Offices and Chowkies provided thereat.

(*d*) The Municipal Sea Dues Office between the Native Jetty and the Customs and Port Trust Offices.

(*e*) The Collecting Station at Ghizree.

(*f*) Miran Naka in Lyari Quarter at the bifurcation of Tannery and Denso Roads.

(*g*) Sehwan Naka $\frac{2}{3}$rd mile to the north-east of the Soldier Bazar on the Sehwan Road.

(*h*) Tatta Naka, east of Sadar Bazar on the Tatta Road, $\frac{1}{3}$rd mile east of Christian Cemetery.

Appointments of Terminal Tax Collecting Stations within Railway limits.

4. In addition to the Terminal Tax Collecting Stations referred to in rule 3 of these Rules, the Karachi Municipality shall have power to appoint such other and further Terminal Tax Collecting Stations as may be deemed necessary at all or any points of exit from the Railway premises in the Terminal Tax limits and with the express permission of the Railway administration, but not otherwise, within such Railway premises.

Imposition and nature of tax and articles made liable thereto.

5. Subject to the exemptions and provision hereinafter expressly specified, the Terminal Tax shall be payable to the Karachi Municipality on all goods of the description mentioned in Schedule A hereto annexed and at the rates specified therein when such goods are imported within the Terminal Tax limits of the said Municipality.

Exemptions.

6. The following goods shall be exempt from the Terminal Tax, namely :—

(a) Goods to be imported within the Terminal Tax limits on which the Terminal Tax amounts to less than three pies.

(b) Goods, which, not being timber, firewood or other produce, imported by the Forest Department for sale, are the property of Government and are accompanied at the time of import with an invoice endorsed with a certificate to that effect signed by the officer under whose authority they are imported.

(c) Goods which are imported with a view to the fulfilment of Government contracts or are otherwise intended for the use of Government at the time of import, provided that (1) at the time of import the importer produces a certificate to this effect signed by the officer under whose request or authority the said goods are being imported and reciting the No. and date of the Import Railway or Customs Document, (2) deposits the amount of the terminal tax otherwise payable on such goods, (3) within 30 days of such import, produces a subsidiary certificate of the Officer at whose request or under whose authority the goods were imported showing what part if any of the said goods have vested in Government. On the production of this subsidiary certificate within the time specified, goods which have vested in Government will be exempted and the deposit in respect thereof refunded.

For the purposes of this rule the date of import in the case of goods imported by sea shall be taken to be the date of the Customs Import Entry and in the case of goods imported by Rail, the time of taking delivery of the goods from the Railway.

Procedure on import. Preparation of Form 1 "or Form 1-A" and payment of tax.

*7. Every importer of goods shall prepare a statement (Form 1 "or Form 1-A" which may be used only for grains of one description) and take it with the Customs Import Entry, Railway Goods Receipt or other

* Sanctioned under the Commissioner-in-Sind's No. 209, dated 16th March 1917.

import document, if any, as the case may be, to Terminal Tax Collecting Officer in charge of the nearest Terminal Tax Collecting station who will check the contents of the said statement with the Customs Entry, Railway Goods Receipt, or other import document, if any, as the case may be; or when the goods are imported through the Miran, Shewan and Tatta Nakas otherwise satisfy himself as to the correctness of the contents of the statement. Such officer shall then in the presence of the importer or his agent select and stamp at the importer's expense, send to the scales for weighment, 5 per cent. of the goods if all the packages are of one size, or 5 per cent. of each size or sort when they are of different sizes or sorts or in cases of disputes the whole consignment or when the packages are less than twenty at least one package but the Chief Officer of the Karachi Municipality may at his discretion waive the examination, weighment and stamping of goods. The tax for which the goods will be liable shall then be levied from the importer.

Explanation.—Terminal Tax is leviable on the actual weight of goods imported except where the difference between the tax calculated on such actual weight in respect of any particular consignment covered by a single Railway receipt or invoice and the weight shown in such Railway receipt or invoice is four annas or less, the weight shown in such Railway receipt or invoice shall for the purposes of the terminal tax be treated as the actual weight of the goods and taxed as such.

Time of payment of Terminal Tax.

8. The Terminal Tax on all or any goods imported within the Terminal Tax limits shall, except in cases where an account current is kept under Section 80 of the Bombay District Municipal Act, 1901, be payable at the time of import to the Terminal Tax Collecting Officer.

Arrangement to be made by the Chief Officer.

9. It shall be the duty of the Chief Officer of the Karachi Municipality at the cost of the said Municipality:—

(*a*) To supply to each Terminal Tax Collecting Officer and to exhibit at each Terminal Tax Collecting Station one copy of the Terminal Tax Rules and Bye-laws and the Schedule attached thereto.

(*b*) To provide a set of scales and standard weights at each Terminal Tax Collecting Station.

Receipts to be granted for all payments and must be produced on demand.

10. Receipts granted on payment of the Terminal Tax must be produced when demanded by any Terminal Tax Collecting Officer in proof of the duty having been paid, otherwise importers may be called upon to pay the Terminal Tax on all such imports for which receipts are not produced.

Powers to Terminal Tax Collecting Officer under Section 76 of the Bombay District Municipal Act, III of 1901.

11. Every Terminal Tax Collecting Officer is hereby authorised under Section 76 of the Bombay District Municipal Act, 1901, to require any person bringing into or receiving from beyond the Terminal Tax limits of the said Municipality any article on which the Terminal Tax is payable, to comply with all or any of the provisions contained in clause (1), sub-clauses (*a*) and (*b*), of that Section, and if such person refuses on demand to permit an inspection of the contents of such conveyance or packages to cause the same to be taken before a Magistrate or the Chief Officer of the Karachi Municipality who shall cause the inspection to be made in his presence.

Powers of Terminal Tax Collecting Officer under Section 79 of the Bombay District Municipal Act, III of 1901.

12. In the case of non-payment on demand of the Terminal Tax leviable under these Rules and Bye-laws, every Terminal Tax Collecting Officer is empowered to exercise in the absence of any special reasons to the contrary, the powers specified in Section 79 of the Bombay District Municipal Act, 1901.

Appeal against act or omission of collecting agents.

13. An appeal lies to the Chief Officer of the Karachi Municipality against an act or omission of any Terminal Tax Collecting Officer acting under these Rules, provided that such appeal be preferred within 30 days of the act or omission complained of, and provided that such appeal shall not relieve the appellant of his liability to comply *ad interim* with the directions and orders issued to him.

14. Refund of excess recoveries made shall be allowed on application received within 3 months from the date of the Terminal Tax receipt with the sanction of the Managing Committee of the Karachi Municipality.

TEMPORARY RULE.

On and from the date the Rules relating to the Terminal Tax come into operation, the Rules now in force relating to Town duty (*vide* Appendix D of the Rules and Bye-laws of the Karachi Municipality) will be repealed, and cease to be operative, save and except that for the purpose of granting a refund on goods on which octroi has been paid and is refundable under the said Rules, the Karachi Municipality shall grant refund of octroi on cotton, hides and skins exported within 12 months of the said date, and on other goods exported within 6 months from the said date, provided that the claimant has compiled with the following conditions and formalities :—

(*a*) That the claimant, or his predecessor in title to the said goods, has, at least 3 days before the date of the coming into operation of the Rules relating to the Terminal Tax, submitted to the Chief Officer of the Karachi Municipality at his office, a declaration stating the quantity of octroi-paid goods in his possession on the evening of the day preceding that on which he makes his declaration, and has at his option submitted a supplementary declaration on the day the Terminal Tax Rules come into force, showing the stocks in his possession on the evening preceding the day on which these Terminal Tax Rules come into operation.

(*b*) That the claimant, or his predecessor in title of the said goods, has, at the time of submitting his declaration, presented the octroi-paid receipts for the said goods for being marked by a distinguishing mark, and for return to him after verification of the goods mentioned in the declarations.

(*c*) That the claimant, complies with all the formalities entitling him to a refund of octroi as required by the Rules relating to Town duties at present in force, submits his claim within the time mentioned in Rule 17 of the said Rules, and produces along with his claim octroi-paid receipts bearing the distinguishing mark of the Karachi Municipality referred to in clause (*b*) above.

SCHEDULE A.

Serial number.	Articles.	Rate of Terminal Tax.	Per	TARE.	
				If imported.	Allowance.
		Rs. a. p.			
1	Almonds and dried fruits (excluding dates).	0 1 0	Maund ...	In bags	3¾ per cent.
				In cases	15 "
				In jowels	5 "
	ASPHALT, SEE No. 41.				
2	Bamboos, split, and Bamboos, Goa.	0 0 2	Bundle ...	In bulk	Nil.
	BAMBOOS, MALABAR, SEE No. 33.				
3	Betelnuts	0 1 0	Maund ...	In gunny bags ...	3½ per cent.
	BOORTHIES, SEE No. 39				
4	Butter	0 1 0	Maund ...	In zicks	5 "
				In dubbis	15 "
				In tins or canisters...	8 "
				In boxes	20 "
				In casks	20 "

SCHEDULE A.—*contd.*

Serial number.	Articles.	Rate of Terminal Tax.	Per	TARE. If imported.	TARE. Allowance.
		Rs. a. p.			
5	Cardamums (all kinds)	0 8 0	Maund ...	In bundles (double cover) or bathees.	6 per cent.
	CEILING BOARDS, SEE No. 18.				
6	Charcoal	0 0 4	Maund ...	In bags or kapats ...	3½ "
7	Cheroots	0 10 0	1,000 Nos....	.....	Nil.
8	Chillies (all)	0 0 6	Maund ...	In gunny bags, mat bags or hide covers	3½ per cent.
	CHORSAS. SEE No. 33.				
9	Chunam	0 4 0	Kharar ...	In bags	3½ "
10	Cigarettes, Foreign	0 2 0	1,000 Nos....	.....	Nil.
	" Indian-made	0 1 0	1,000 Nos....	.....	Nil.
11	Cloves	0 1 6	Maund ...	In gunny bags, mat bags or hide covers.	3½ per cent.
				In cases	15 "

	COAL, SEE No. 13.						
12	Cocoanuts	0	3	3	1,000 Nos....	.....	Nil.
		0	0	4	Maund ...	In gunny bags ...	3½ per cent.
13	Coke, coal and patent fuel, including Crude Petroleum and Liquid fuel.	0	2	0	Ton ...	*Crude Petroleum and Liquid Fuel—*	
						In drums	15 "
						In casks	20 "
14	Coriander seed	0	0	8	Maund ...	In gunny bags, mat bags or hide covers	3½ "
						In cases	15 "
15	Cotton	0	0	6	Maund ...	In boras, loose ...	16 lbs. per package.
						In bales, F. P. ...	10 lbs. per package.
16	Cotton Phootees	0	0	1½	Maund ...	In bags	3½ per cent.
						In boras	3½ "
17	Cotton seeds	0	0	1½	Maund ...	In bags	3½ "
	CREOSOTE, SEE No. 41.						
	DAMMER, SEE No. 41.						
	DATE-LEAVES, SEE No. 32.						
18	Dealwood and Ceiling Boards ...	1	8	0	Ton of 50 C. ft. ...	In bulk	Nil.
19	Firewood	0	0	6	Maund ...	In bulk	Nil.
		0	2	0	Camel load.		
		0	1	0	Bullock load		
		0	0	6	Donkey load		

SCHEDULE R.—*contd.*

Serial Number.	Articles.	Rate of Terminal Tax.	Per	TARE. If imported.	TARE. Allowance.
		Rs. a. p.			
	FUEL, LIQUID, } SEE No. 13. FUEL, PATENT, } FRUITS, DRIED, SEE No. 1.				
20	Ghee	1 4 0	Maund ...	In zicks ... ... In dubbis ... ... In tins or canisters... In cases ... ... In casks	5 per cent. 15 „ 8 „ 20 „ 20 „
21	Goor (Jagree)	0 2 0	Maund ...	In earthen jars ... In mat bags ... ... In gunny bags ...	15 „ 2½ „ 3¾ „
22	Grains—all food grains and pulses not otherwise specified, including wheat, flour and bran.	0 0 1½	Maund ...	In bags ... ... In goat-hair bags ...	1½ „ 5 „

23	Grass and Kirbee	0 8 0	1,000 lbs. ...	In bulk	Nil.
		0 12 0	Cart load ...		
		0 2 9	Camel load.		
		0 1 6	Bullock load.		
		0 0 9	Donkey load	*Hides, Leather.*	
24	Hides and skins (raw and tanned) in fully pressed bales and leather.	0 1 6	Maund ...	In bulk	Nil.
				In bales, rope-bound.	4 lbs.
				In bales, iron-bound.	5 lbs.
				Skins.	
				In bags, rope-bound	7 lbs.
				In bales	4 lbs.
	Hides and Skins (loose)	0 1 0	Maund ...		
	JAGREE, SEE No. 21.				
25	Khar	0 0 6	Maund ...	In bales ...	1½ per cent.
				In goat-hair bags	5 "
	KIRBEE, SEE No. 23.				
	LEATHER, SEE No. 24,				
26	Laries	0 5 9	Camel load	In bulk	Nil.
		2 0 0	Ton ...		
27	Molasses	0 0 3	Maund ...	In bundles	12 lbs. per package.
28	Mungfullies and Pubnee Seed ...	0 0 3	Maund ...	In bags	1½ per cent.
				In goat-hair bags ...	5 "
29	Oils*	0 2 0	Maund ...	In dubbis or drums.	15 per cent.
				In tins	8 "
				In cases or casks ...	20 "

* Except Kerosine used for lighting, and Turpentine.

SCHEDULE A—*contd.*

Serial Number	Article.	Rate of Terminal Tax.	Per.	TARE. If imported.	TARE. Allowance.
		Rs. a. p.			
	PETROLEUM CRUDE, SEE No. 13. PHOOTIES (COTTON), SEE No. 16.				
30	Pistachio nuts	0 2 6	Maund ...	In bags	3½ per cent.
				In cases	15 "
				In jowels	5 "
31	Planks of kutcha teak and jungle wood.	1 0 0	Corge of 240 Guz or 580 R. Ft.	In bulk	Nil.
	PUBNEE SEED SEE No. 28.				
32	Punkhas, Tuas and date-leaves ...	0 8 0	Cart load ...	In bulk	Nil.
		0 1 4	Camel load.		
		0 0 4	Donkey load		
		0 0 4	Maund ...		
33	Rafters, Chorsas and Malabar Bamboos.	0 1 6	Score ...	In bulk	Nil.

34	Seeds, Rapeseed, Gingelly seed and all other Oils and other Seeds not otherwise specified.	0	0	1½	Maund ...	In bags	1½ per cent.
						In goat-hair bags ...	5 „
	SEEDS, COTTON, SEE No. 17. SKINS, SEE No. 24. SLEEPERS, WOODEN, RAILWAY. SEE No. 47.						
35	Snuff	0	0	6	lb.	In cases	20 „
						In tins	8 „
36	Soap, country or foreign	0	1	0	Maund ...	In cases	15 „
						In casks	20 „
37	Soda of all kinds	0	0	6	Maund ...	In kegs or cases ...	8½ „
						In bags	1½ „
						In drums	5 „
38	Sugar	0	0	1½	Cwt. ...	In bags	3¾ „
						In cases	15 „
39	Swallies, Vansas and Boorthies ...	0	4	0	Score ...	In bulk	Nil.
40	Tamarind	0	0	3	Maund ...	In gunny bags, mat bags or hide covers.	3½ per cent.
41	Tar, Dammer, Asphalt, Creosote and other tar products.	0	0	3	Cwt. ...	In cases or casks ...	20 „
						In tins or canisters...	8 „
42	Tea.	0	0	2	lb.	Loose in cases or bundles.	17½ „
						In packets or tins in cases.*	33⅓

* Sanctioned by the Commissioner in Sind under his No. 1440, dated 26th October 1917.

SCHEDULE A—*concld.*

Serial Number.	Articles.	Rate of Terminal Tax.			Per	TARE.	
						If imported.	Allowance.
		Rs.	a.	p.			
43	Timber, kutcha (other descriptions from Item No. 44.	1	0	0	Ton of 50 C. Ft. ...	In bulk	Nil.
44	Timber, pucca (teak, pucca, black-wood and walnut wood).	2	0	0	Ton of 50 C. Ft. ...	In bulk	Nil.
45	Tobacco, country or foreign ...	0	6	0	Maund ...	In cases	15 per cent.
	TUAS, SEE No. 32.						
46	Turmeric	0	0	6	Maund ...	In cloth bundles or bags.	3½ "
						In gunny bags ...	3½ "
	VANSAS, SEE No. 39.						
47	Wooden Railway sleepers ...	0	8	0	Ton of 50 C. Ft. ...	In bulk	Nil.
48	Wool in bales, fully pressed ...	0	1	0	Maund ...	In bales	10 lbs. per package.
49	Wool in nungs, not fully pressed...	0	0	6	Maund ...	In borahs	12 lbs. do.
						In bags	3½ per cent.

FORM I.

Declaration form to accompany original Customs Import Entry / Railway Goods Receipt / other Import Document *to the Terminal Tax Collecting Station for collection of the terminal tax.*

Extract from Customs Import Entry / Railway Goods Receipt / other Import Document *for goods on which the terminal tax is leviable.*

Karachi, _____ 191 .

To

The Officer-in-Charge, Terminal Tax Collecting Station,

Sea Dues Office / Railway Station, at _____ Station.

SIR,—Please permit to be imported by sea / rail _____ _____ from _____ station _____, the following goods as per Invoice No. _____ dated _____ 191

TERMINAL TAX.						Gross weight as shown in the goods receipt.
No. and description of packages of each size and sort.	Description of goods.	Net weight or quantity of each size or sort	Rate.	Per	Amount of terminal tax.	
			Total Rs. ...			

_____ } IMPORT ENTRY / IMPORT GOODS RECEIPT No. / Dated _____ 191 . }

We or I do hereby declare that the contents of this application are truly stated.

_____

Owner or Importer.

Dues recovered and credited in Municipal Cash Book on _____ 191 .

No. OF RECEIPT GRANTED _____ dated _____

(Initials), OFFICER, TERMINAL TAX COLLECTING STATION _____

Sanctioned under the Commissioner in Sind's No. 1437, dated 14-16th December 1916.

FORM I-A.

Declaration form to accompany original Railway Goods Receipt to the Terminal Tax Collecting Station for collection of the terminal tax.

NOTE 1—This form to be used only for grains of one description.

2.—Despatching stations with names containing the same initial letter only should be included in any one declaration.

Extract from Railway Goods Receipt for goods on which the terminal tax is leviable.

Karachi,_____ 191

The Officer-in-Charge, Terminal Tax Collecting Station. at_____Railway Station.

SIR,

Please permit to be imported by rail, the following goods as per details below :—

RIB No.	R. Invoice No	Date	Name of despatching station	No. and description of goods	Description of goods	Gross weight as shown in the goods receipt	Remarks

Total gross weight of day's arrivals ...

Less tare 1½ per cent ... ...

Net weight ... ...

Terminal tax on mds. srs. , net weight, at 1½ pie per maund Rs._____ .

We do declare that the contents of this application are truly stated.

Owner or Importer.

Dues recovered and credited in Municipal Cash Book on_____191 . No. of receipt granted_____ dated_____, (Initials), Officer, Terminal Tax Collecting Station_____.

FORM II.

(Form of Notice and Inventory issued under Rule 12 of the Terminal Tax Rules and Section 79 of the Bombay District Municipal Act, III of 1901.)

To

_____

Residing at _____

Take notice that I have this day seized the goods and chattels specified in the inventory given below, for the value of due for the terminal tax mentioned in the margin; and unless, within five days from the day of the date of this notice, you pay in to the the said amount together with the costs of recovery, the said goods and chattels will be sold.

Terminal Tax.

Dated this day of 191 .

(Signature of the Terminal Tax Collecting Officer.)

_____

of the Terminal Tax Collecting Station of the Karachi Municipality.

Inventory.

(Here state particulars of goods and chattels seized.)

Chamber of Commerce,
Madras, 3rd May 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,— In reply to your letter dated the 21st instant, I am directed to inform you that the Chamber understands that no "Terminal Taxes" are levied by the Madras Municipality. As to "Town Duties" there is a proposed revised tax on timber, particulars of which as advertised by the Madras Corporation are enclosed for your information.—I remain, etc.,

H. E. H. SLADEN,
Secretary.

CORPORATION OF MADRAS.

NOTIFICATION.

In accordance with the provisions of Section 353 of the Madras City Municipal Act IV of 1919, the following draft By-laws which the Council proposes to make under Section 129 and 349 of the above Act regarding tax on timber and protection of dogs, respectively, are published for general information.

Notice is hereby given that any suggestions or representations which any person interested may desire to make in respect of the draft By-laws will be considered if submitted within one month from the date of publication of the Notification.

Printed copies of the draft By-laws can be had from the Revenue Officer, Corporation of Madras, on payment of As. 5 per copy.

Corporation of Madras, 7th February, 1921. } M. BAZLULLAH, Commissioner.

Draft By-laws approved by the Council on 23rd October 1920, under Section 349 of the Madras City Municipal Act 1919

Rules for the Protection of Dogs from Destruction.

Every dog kept within Municipal limits shall be provided by the owner with a collar round its neck and every dog which is licensed under the provisions of the

Madras City Municipal Act, 1919 shall be provided with a metal badge to be fitted on the collar and always worn on the neck of the dog. The badge can be obtained in the Municipal Office on payment of an anna. All dogs without collars will be considered stray dogs and will be liable to be destroyed at any time. They may be kept for three days.

Draft By-laws approved by the Council on 23rd October, 1920. By-laws under Section 129 (3) and 349 (2) of the Madras City Municipal Act IV. 1919 regarding tax on timber.

Definition of Timber.

I (*a*) Timber means and includes any tree or part of a tree wrought or capable of being wrought into beams, rafters, posts, boards, planks, etc., for being employed in house or ship building or in carpentry, joining, etc., and includes Red wood, Bamboos, Casuarina posts (over 10 feet in length), etc.

(*b*) A ton of timber means 50 cubic feet. Anything less than a quarter ton shall be reckoned a quarter ton, and any thing above a quarter ton and under half a ton as half a ton and so on.

2. The tax on timber shall be levied and collected immediately on the spot before it is brought into the City as follows:—

Names of the Several Collecting Agencies.

(*a*) *For import by sea:*—At the Port of Madras by the Collector of Sea Customs or the Chairman of the Port Trust.

(*b*) *For import by rail:*—At the Railway sheds by the Agent of the Madras and Southern Mahratha Railway and by the Agent of the South Indian Railway, respectively.

(*c*) *For import by road:*—At the Toll gates by the Toll Contractor of the Corporation of Madras.

(*d*) *For import by canal* :—At the Adyar and Ennore Locks by the Executive Engineer, Chingleput Division.

A receipt in the prescribed form shall be granted to the owner on payment of the tax due.

CORPORATION OF MADRAS.

REVENUE DEPARTMENT.

Receipt for payment of Timber Tax under Section 129 (1) of Act IV of 1919

Received from
the sum of Rupees
Annas only being the tax for
Tons of importing into the City of
Madras.
Rs.
Station.
Date. Issuing Officer.

3. Every person desiring to bring any timber into Madras, shall pay the following tax for the several kinds of timber:—

Rates of Taxes to be Levied.

Timber ...	... at Rs. 5	per ton of	50 cub. ft,
Inferior Red wood	... at Rs. 2	do.	do.
Casuarina post, etc. over 10 ft. in length	... at Rs. 1-8	do.	do.
Bamboos ...	... at Rs. 1-8	do.	do.

4. The following timber shall be exempt:—(1) Finished joiner's work, that is to say, such articles as house fittings, doors, moulderings, sashes and window frames.

Details of Timber that are exempted from Taxation.

(2) Furniture, carts, or other wooden vehicles, boxes or casks, tent poles, etc.

(3) Red wood in stumps and roots for dyeing purposes.

(4) Gun stocks, axe-handles, hammer handles, shafts and carriage panels.

Procedure for Recovery of Tax if not Paid.

5. (i) If the tax on timber is not paid on demand the person appointed to collect the tax may seize and detain such proportion of the timber as may reasonably be expected to equal in value the tax leviable.

(ii) The officer detaining the timber shall give a receipt for the property detained and also a notice of sale within 14 days to the person in possession of the said timber at the time of seizure.

(iii) All timber seized and detained under Sub-section (i) shall be sent within 24 hours to the Commissioner or other person authorised by him.

(iv) If the owner of the timber or other person entitled thereto claims the same within the time so specified or at any time before the sale, it shall be returned to him on payment of :

(*a*) the tax due thereon.

(*b*) such penalty not exceeding the amount of the tax as the Commissioner may direct, and

(*c*) the charges incurred in connection with the seizure and detention.

(v) If within the time so specified, the owner or other person entitled to the timber does not claim the same and pay the tax due thereon together with the detention charges, the Commissioner may direct that it shall be sold in Public Auction and the proceeds of the sale applied to the payment of (i) the tax due on the timber sold, (ii) such penalty not exceeding the amount of the tax as the Commissioner may direct, (iii) the charges incurred in connection with the seizure, detention and sale.

(vi) Any surplus after such payment will be dealt with in accordance with Rule (26) (c) of Schedule IV of Act IV of 1919.

Duties of the Issuing Officer.

6. Every person appointed to collect the tax on timber shall keep such accounts relating to the levy of such taxes as the Commissioner may require, and such accounts shall at all reasonable times be open to inspection by the Commissioner or Revenue Officer, or by any officer, authorised by the Commissioner in that behalf.

Form of Refund Application.

7. Applications for the refund of tax, under Section 129 (i) of the Act, shall be made to the Commissioner, in the following form:—

CORPORATION OF MADRAS.

REVENUE DEPARTMENT.

Form of Application for Refund of Tax on Timber under Section 129 (1) proviso (2) of the Madras City Municipal Act. No. IV of 1919.

TO THE COMMISSIONER,

Corporation of Madras,

SIR,

Please grant me a refund of Rupees on the hereunder described and to be exported beyond the limits of the City of Madras.

Number (in words at length) and nature of article.	Address or mark if any, given thereon.	Description of article.	Quantity (in words at length) and not in figures alone.		Whence imported and, if by sea by what vessel.	When.	Number and date of Receipt granted on import.	Where to be exported to	By what route to be exported.	At what time it would be at the station through which it passes out.	Where available for inspection in the meantime.	Remarks.
			* Ton. of 50 s. ft, if timber,	C.ft								

Date

(Signature of Applicant).
(Place of his residence).
(Place of his business).

Time Limit for filling the Re-fund Application.

8. Such application shall be made at least forty-eight hours before the date of the intended export beyond the limits of the City, and shall be accompanied by the original receipt granted on import thereof.

Conditions Regulating Refunds.

9. Refunds will be granted only to the person (or his duly authorised agent) specified in the original receipt, provided the application is:

(i) for anything within the quantity imported under the several receipts taken together during the official year (1st April to 31 March) to which the receipts relate;

(ii) made within six months from the date of issue of the receipt for its import, and refund receipts returned duly completed within three weeks from the date of their delivery to the applicants for refund; and

(iii) exported in the same state as it was imported without any alteration in form or size.

Inspection of Exported Timber.

10. All timber so intended for export shall be open for inspection at all reasonable times by the Commissioner or the Revenue Officer or any other Officer or subordinate as may be authorised by the Commissioner in this behalf.

Grant of Export Certificates by the Issuing Officer.

11. Every person entrusted with the levy and collection of the said tax shall, after the timber has been exported beyond the City, deliver to the Commissioner a certificate of its having been exported, under the hand of the officer through whom it shall have so passed out or of any of his officers or subordinates and countersigned by one of the assessors employed by the Commissioner to see such export, and such certificate shall be in the following form:—

ORIGINAL.

CORPORATION OF MADRAS.

Revenue Department.

(*a*) Name of exporter in full

Form of certificate under By-law No under Section of Act IV of 1919 for refund of Timber tax.

(*b*) Door No. Street and Village
(*c*) Name of place exported to.
(*d*) Whether by sea, and if so, by what vessel, or by the Madras and Southern Mahratta or South Indian Railway or by the Buckingham Canal (North or South) or by the Tollgates, and if so, by which Tollgate.

It is hereby certified that (*a*) residing at (*b*) and carrying on business at (*b*) has this day exported beyond the City of Madras consigned to (*c*)
by the (*d*) The following (*e*) *viz* :—

No. (in words at length) and nature of article.	Address or mark if any, given thereon.	Description of article.	Quantity (in words at length and not in figures alone.)		Remarks.
1	2	3	4	5	6
			*Ton.	C. ft.	Counter-signature of the Assessor.

Date

Signature of the Licensing Officer
(through whom the
has been passed out.)

*Of 50 cubic feet, if Timber.

Time Limit for the submission of the Export Certificate to the Commissioner.

12. The officer granting such certificate shall send addressed to the Commissioner the original of such certificate within 48 hours after the export of the consignment retaining the duplicate with him.

Grant of Refund in the Case of Exported Timber.

13. On the Commissioner being satisfied us to the export, he shall make a refund of a sum equivalent to nine-tenths of the tax that has been paid thereon.

Penal Clause.

14. Any person offending against any of these By-laws shall be punishable with a fine which may extend to fifty rupees, and in the case of a continuing breach, with a fine which may extend to fifteen rupees for every day during which the breach continues after conviction for the first breach.

No. 922-98.

Chamber of Commerce,
Bombay, 5th May 1921.

The Municipal Commissioner,
Bombay.

Sir,—With reference to the interview that the Chairman of this Chamber, Mr. H. P. W. Macnaghten, had with you on the 22nd ultimo in connection with the proposal of the Municipality to levy a non-refundable duty enquivalent to a light terminal tax in place of the present Town Duty, I am desired to request that, as arranged at the above-mentioned interview, this Chamber should be given an opportunity of appearing before the Committee of the Corporation who are considering the matter, both in connection with the general question of the levy of the duty and also in regard to the separate commodities involved. I have etc.,

H. ROYAL,
For Secretary.

No. Mc-65-D

Bombay Municipality,
11th May 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—With reference to your letter No. 922-98 dated the 5th Instant, I have the honour to say that I shall

endeavour to arrange to give you an opportunity of appearing before the Committee of the Corporation who are considering the matter in due course.—I have etc.,

J. B. CLAYTON,
Municipal Commissioner.

APPENDIX R-2.

MUNICIPAL TAXATION OF COMPANIES TRADING IN THE MADRAS PRESIDENCY.

Bombay, 16th September 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—We shall be glad if you will circularise the members of the Chamber and ascertain if any of them with Agents in the Madras Presidency are paying Municipal Taxes through their Agents. We feel there must be several firms in the same predicament as ourselves, who are unable to declare their gross profits owing to Accounts being kept in England and who are therefore charged on their paid-up capital. So far as we ourselves are concerned, we have been called upon to pay such Taxes in the Madras City and also in Tuticorin.

For your information, we attach extract from Madras City Municipal Act No. 4 of 1919, and the Tuticorin Municipal Act is practically a copy of this. Unless joint action is taken by firms interested, there is nothing to prevent every Municipality in the Madras Presidency from following the lead of the Madras Council and imposing these arbitrary Municipal Taxes.

For the time being we merely desire to get in touch with other firms here similarly situated, and shall be glad to hear from you in due course.—Yours faithfully,

for Brunner, Mond & Co., Limited,
A. WILLIS,
Joint Manager (Bombay Branch).

Extract from the current Madras City Municipal Act No. 4 of 1919.

PART II. OF SCHEDULE IV.

Assessment of Companies.

* (See section 110).

7. Companies shall be assessed by the Commissioner on the following scale :—

PAID-UP CAPITAL.		HALF-YEARLY TAX.
Lakhs of rupees.		Rs.
A. More than twenty	...	1,000
B. More than ten, less than twenty	...	500
C. More than five, less than ten	...	250
D. More than three, less than five	...	150
E. More than two, less than three	...	100
F. More than one, less than two	...	50
G. Less than one	...	30

Provided that any company, the head office or a branch or principal office of which is not in the city and which shows that its gross income received in or from the city has not in the year immediately preceding the year of taxation exceeded :—

	Rs.
(a) Twenty-five thousand rupees shall pay only.	125
(b) Fifteen thousand rupees shall pay only.	75
(c) Five thousand rupees shall pay only.	25

* TAX ON COMPANIES.

110. Every incorporated company transacting business within the city for profit or as a benefit society shall pay by way of licence fee in addition to any other licence fee that may be leviable under this Act a half-yearly tax on its paid-up capital on the scale shown in the taxation rules in Schedule IV but in no case exceeding rupees one thousand, if and as soon as it has transacted business in the city for the period prescribed in section 113.

Explanation.

Whenever a company has an office, agent or firm to represent it for the purpose of transacting business in the city, such company shall be deemed to transact business in the city and such office, agent or firm shall be liable

for the tax in respect of the company's business, whether or not such office, agent or firm has power to make binding contracts on behalf of the company.

No. 1793/247.

Chamber of Commerce,
Bombay, 27th September 1921.

The Secretary,
Madras Chamber of Commerce, Madras.

Dear Sir,—I am directed to address you on the subject of the provisions of Section 110 of the Madras City Municipal Act, No. 4 of 1919, and more particularly the action which, my Committee understand, numerous smaller municipalities throughout the Madras Presidency have taken in the same regard.

2. In the above connection I am to state that it has been represented to my Committee by several Members of the Chamber who have agencies throughout the Madras Presidency that the incidence of the levy for which the aforesaid section makes provision, while operating harshly in the case of branches or agencies located in Madras City itself, will become unduly burdensome if the lead of the Madras City Municipality is followed by every Municipality throughout the Presidency.

3. My Committee are aware that the matter was considered by your Committee in June last year and that they were then of the opinion that no useful purpose would be served by the submission of a protest to Government. It appears, however, that your Committee's deliberations were necessarily confined to the consideration of the question in its relation to the Madras City Municipal Act only and that the adoption of similar measures by other Municipalities was not at that juncture contemplated. So long as the operation of the levy is confined to the municipal limits of the Presidency town my Committee are in complete agreement with the view taken by your Chamber but they consider that the extension of the system to outlying areas raises an entirely new issue and they will be grateful if they may receive the views of your Committee thereon at an early date.

4. In submitting the foregoing for your consideration I am to add that my Committee presume that the section of the smaller municipalities is governed by a further

amendment of the Madras Districts Municipalities Act IV of 1884, upon the lines of the aforesaid section 110 of the Madras City Municipal Act, in which case it is only reasonable to assume that the levy in question will become general throughout the Presidency if such is not already the case.—Yours faithfully,

C. B. SAYER,
Secretary.

No. 1794/247

Copy forwarded, with compliments, to Messrs. Brunner, Mond & Co., Ltd., for their information, with reference to their letter dated the 16th September 1921.

C. B. SAYER,
Secretary.

Extract from the Chamber's Excerpts from the Proceedings of the Committee for the month of September 1921.

"N. B. It will be of material assistance to the Committee in their further consideration of the matter in question (i. e., Municipal Taxation on Companies Trading in the Madras Presidency) if members with agencies in the Madras Presidency will furnish them with specific instances in which such agencies have been subjected to taxation under the above Act (i. e. the Madras District Municipalities Act, IV of 1919) and, if possible, will state the particular rate of assessment adopted in each case."

Bombay, 19th October 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—With reference to the proceedings of your Committee for September and the question of Municipal Taxation on companies trading in the Madras Presidency, we wish to say, as far as we are concerned the only agency we have in that presidency is our Madras City branch who are being assessed to the maximum tax of Rs. 1,000 half yearly under the Madras City Municipal Act. This assessment is based on the Capital of the Vacuum Oil Company, New York, for whom we are the branch Head Office in India, and our Madras Office again is a sub-office to Bombay. We have protested on each occasion to the Madras Corporation,

that it is absurd that our Madras office, which is only a sub-office to us here should be assessed on the basis of the parent company's capital, which capital is by no means employed solely in the Madras business.

We have also suggested that we should fairly be assessed under the Proviso to Schedule IV, Part 2, as quoted in your printed proceedings, on the ground that neither the company's Head Office which is in New York, nor a direct branch of the Head Office, is situated in Madras. Our Madras office is not a direct branch of the company's Head Office, but is a sub-office to Bombay. The Madras Corporation has refused to consider either of these arguments, and insists on assessing us to the maximum tax, which we contend is oppressive. Other firms in Bombay with Head Office in America or the U. K. and sub-office in Madras are we to understand similarly taxed, and all are of opinion that the levy of the maximum tax in such cases is oppressive.—Yours very truly,—

Vacuum Oil Company,
A. A. WEST,
Accountant.

Eagle Star British Dominions,
Insurance Company Limited,
Bombay, 19th October 1921.

The Secretary, Chamber of Commerce,
Bombay.

Municipal Taxation on Companies trading in the Madras Presidency.

Dear Sir,—With reference to the proceedings of the Committee of the Chamber of Commerce during the month of September last, we note that the above question is receiving the attention of the Chamber, and that members having Agencies in the Madras Presidency are invited to furnish the Committee with specific instances in which Agencies have been subjected to taxation under the Madras Districts Municipalities' Act. The Committee may therefore be interested to learn that this Company's Agents in Mangalore recently informed us that their Agency has been assessed to the extent of Rs. 25 on the basis of the Gross Income for the year immediately preceding the year of taxation not exceeding Rs. 5,000. This is the first occasion where the Municipality in Mangalore have levied the tax in question on our Agents, and we may add that so far we have no record of any other Agency in the Madras Presidency

outside of Madras being assessed with taxation of this kind so far as this Company is concerned.—Yours faithfully,

H. M. COOK,
Joint Manager.

Sun Life Assurance Co. of Canada,
Bombay, 20th October 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir;—With reference to the Excerpts from the Proceedings of the Committee during the month of September 1921, I note with interest the first item which deals with the question of Municipal Taxation on Companies trading in the Madras Presidency and concerning which subject you invite information from members.

In regard to this I am able to inform you that this Company has been fighting a case in the Madras Courts for some months past against an assessment made.

This assessment was first made upon us by the Municipality of Madras in respect of the second half year 1919-20 under Section 110 etc. of the Municipal Act IV of 1919.

This assessment we disputed and the case was heard on the 9th of March 1921 in the Small Causes Court, judgment being duly delivered on the 1st of April 1921, in our favour.

The Municipality, however, were not content with this and are carrying the case up to the High Court, Madras, in which Court the case will be heard in the near future.

The first point put forward in our contention during the hearing in the Small Causes Court was that Section 7 of Schedule 4 of the Act did not apply to this Company as its head Office was situated in Canada and its paid up capital was reckoned in dollars and not in rupees, but this contention was not upheld.

The second point put forward was that premiums collected outside Madras should not be reckoned in the computation as this income was liable to local taxation at the seat of its collection, but this also was not upheld.

The main argument however advanced was that the Corporation erred in assuming that the total premiums received from Policy-holders constituted the gross income of the Company and in assessing it on that basis,

and in regard to this argument the opinion expressed in the judgment was that the Standing Committee had not made a genuine effort to consider what can be classed as income in the case of an insurance Company and what the actual income of the Company was or could have been.

A good deal of argument also took place as to the meaning of the term "income" as applied to life insurance Companies. and in the judgment expression is made on this point from a business aspect a life insurance Company has no ascertainable annual profit, for the profit such as it has to be ascertained by actuarial calculations over a series of years and is at best an estimate, also that the only actual profit of a Life Insurance Company is the interest received on its Securities and of such interest only a portion can be fairly described as "income."

Also, that as Life Insurance Companies are restricted in respect of investments the interest earned and available to the Company would not exceed 4% at a generous estimate, and this alone can be treated as the "gross income" of the Company. The judgment concluded with the opinion that the Company had satisfactorily shown that at a 4% calculation, its gross income was not such as to render it liable to the taxation charged, and that it should be assessed on Rs. 125 and not on Rs. 500 scale.

In conclusion I would mention that as the whole question involves other Life Insurance Companies carrying on business in this country we are being supported in our case by the Standard and the Gresham Companies.

I think that the contents of this letter may prove of interest to you and I will supplement this by the judgment given in the High Court as soon as this is known.—Yours faithfully,

PHIROZE C. SETHNA,
Manager for India.

Bombay, 21st October 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—Referring to the Excerpts from the proceedings of your Committee during September this year, we beg to bring the following particulars to your Committee's notice in connection with Municipal Taxation.

During the past season we sent our agents to supervise purchases of cotton for us at Tuticorin, Virudupatti Dindigal, Adoni & Nandyal; as a result of our carrying on business in these districts, we have been called upon to pay taxes on the following scale: at Tuticorin an assessment of Rs. 250 for six months based on our sterling capital, at Virudupatti on our agency income, which was arbitrarily assessed by the Municipality, without evidence, as Rs. 1,000 a month, Rs. 75 in all; at Dindigal on an assumed agency income of 500 a month Rs. 17-8 in all; at Adoni an assessment of Rs. 50 in all for six months based on our sterling capital and lastly at Nandyal on an assessed monthly income of Rs. 1,500, Rs. 37-8 in all: in all cases we have been called upon to pay the foregoing taxes by the Chairman of the Station Municipality: we have no office in any of the above towns and conduct our business through local commission agents, with our own agent on the spot to look after our interests: on these grounds we have in some of the above cases refused to admit our liability to taxation, but we understand that our objections have no hope of meeting with consideration, and cannot stand.—Yours faithfully,

for Forbes Forbes Campbell & Co., Ltd.,
A. WOODCOCK,
Assistant Manager.

Bombay, 4th November 1921.

The Secretary, Chamber of Commerce,
Bombay.

Tax on Professions and Trade by Municipalities in the Madras Presidency.

Dear Sir,—In the Excerpts from the Proceedings of your Committee for the month of September 1921 we see that your Chamber has taken up the question of the legality of the action of the different Municipalities in the Madras Presidency in levying the above tax on the various branches of firms whose head offices are outside that Presidency.

As required by your Committee we attach, herewith, a statement giving a list of the places where our branches are established and where we pay this tax.

We may mention that we have times out of number protested against the exorbitant amounts we are called upon to pay compared to the business done at each

place. The method of taxation followed by most of the Municipalities are, to say the least, arbitrary, and these bodies generally refuse to entertain our appeals and insist on recovering the full amounts which they themselves fix, and in the circumstances we have been reluctantly compelled to pay the amounts claimed under protest.—Yours truly,

(Sd.) ILLEGIBLE,
per pro. Ralli Brothers.

Statement showing the places in the Madras Presidency where Profession Tax is paid by us.

Adoni	Nandyal
Bezwada	Negapatam
Bellary	Sivakosi
Coimbatore	Satur
Coconada	Tuticorin
Cuddalore	Tinnivilly
Dindigal	Tirupur
Dharapuram	Tadpatri
Ellore	Tanjore
Guntur	Tiruvannamalai
Kurnool	Udamalpet
Kumbakonam	Virudupatti
Madura	Vizianagram
Narasaraopet	Vellore
	Villupuram

Bombay, 13th December 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—With reference to the question of *Municipal Taxation* on Companies trading in the Madras Presidency, brought up for discussion by the Committee of your Chamber during the month of September last and the invitation of the Committee to members with agencies in the Madras Presidency to furnish them with specific instances in which such agencies have been subjected to taxation under the above Act, we beg to inform you that the undermentioned press and gin factories belonging to the Volkart's United Press Co. Ltd., of which our firm are the Secretaries and Treasurers, have been asessed with the following amounts for the periods stated:—

	Half year ending 31-3-1921.	Half year ending 30-9-1921
Tuticorin.	Rs. 125	Rs. 125
Virudupatti.	" 125	" 125
Coimbatore.	" 110	" 125

The V. U. P. Co. Ltd., having a paid-up capital of 8½ lakhs, with their head-office outside the Madras Presidency, and showing a gross income in their factories at the places mentioned above exceeding Rs. 25,000 in the year immediately preceding the year of taxation, the rate of assessment in all the cases is now Rs. 125 for the half year, which we feel is unduly burdensome, as the gross income, particularly in the case of ginning and pressing factories, is no indication as to their profit earning.

We shall feel much obliged if your Chamber will keep the matter before them and be glad to hear from you in due course what further steps they have taken with a view to protecting the interests of companies with head-offices in Bombay, controlling branches in the Madras Presidency.

Thanking you beforehand for your good offices in the matter.—We remain etc.,

L. VOLKART,
Per Pro. Volkart Brothers.

No. 2238-247.

Chamber of Commerce,
Bombay, 15th December 1921

Messrs. Volkart Brothers,
Bombay.

Dear Sirs,—I beg to acknowledge receipt of your letter, dated the 13th instant, with regard to the levy of Municipal Taxes on branch businesses and agencies in the Madras Presidency, and to say that your letter will be placed before my Committee upon receipt of further information from the Madras Chamber which has been addressed in the matter.—Yours faithfully,

C. B. SAYER,
Secretary.

Similar letters were addressed in acknowledgment to the Vacuum Oil Company, the Eagle Star and British Dominions Insurance Co. Ltd., the Sun Life Assurance Company of Canada, Messrs. Forbes Forbes Campbell & Co. Ltd., and Messrs. Ralli Brothers.

Imperial Bank of India Building,
Madras, 12th October 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—I am directed to acknowledge the receipt of your letter dated the 27th ultimo, in regard to the

provisions of Section 110 of the Madras City Municipal Act No. 4 of 1919 which is for the present receiving the attention of the Committee of the Chamber.—I remain etc.,

H. E. H. SLADEN,
Secretary.

Imperial Bank of India Building,
Madras, 26th October 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—In continuation of my letter dated the 12th instant, acknowledging your letter No. 1793-247, of 1921, dated the 27th September, 1921, on the subject of the provisions of Section 110 of the Madras City Municipal Act No. 4 of 1919, I am directed to enclose copies of the Madras City Municipal Act, 1919 and the Madras District Municipalities Act 1920 and am to add that the administration of the Madras District Municipalities Act 1920 has brought to light inequalities that seem to call for amendment. This matter is now occupying the attention of a Sub-committee of the Chamber, the result of whose investigations will be passed on to you in due course.—I remain etc.,

H. E. H. SLADEN,
Secretary.

Imperial Bank of India Building,
Madras, 7th December 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—In continuation of my letter of the 26th October, 1921, I am directed to forward herewith a copy of a letter which the Chamber has addressed to the Government of Madras on the working of the Madras District Municipalities Act 1920.—I remain etc.,

H. E. H. SLADEN,
Secretary.

Chamber of Commerce,
Madras, 7th December 1921.

The Secretary to the Government of Madras,
Local and Municipal Department, Madras.

Sir.—I have the honour to address you on the subject of the working of the Madras District Municipalities Act 1920, which has lately been under consideration by the Committee.

The attention of the Chamber has been drawn to the fact that the interpretations put upon the Act by various Municipalities are most inequitable and are bearing most unjustly on many large firms having Agents or connections in the mofussil. It was pointed out that this Act being a "self contained Act" admitted of no appeal against assessment other than to the Municipal Council the body which itself made the assessment and it is suggested that in the interests of justice, some Court or Persons of Authority be appointed to consider and give impartial judgment on points of difficulty or divergences of opinion which may arise through this Act.

The Chamber having considered the various Sections of the Act in all their bearings, I am directed to urge the attention of the Government to the following list of amendments and additions which are in the Chamber's opinion necessary to the smooth working of the Act:—

1. That a Court of Appeal be appointed.

2. The omission or the definition of "Branch Office" in Schedule IV Section 16.

3. That a ruling be given on the method of assessment of an Agent and or the Sub-Agent under G. O. 1796.

4. That a ruling be given as to the number of taxes which can be legally assessed on one source of income.

5. That the terms or phrases "Branch Office" and "Gross Income" be defined.

6. That a ruling be given as to whether G. O. 1796 is retrospective and whether assessments previously made should be amended and the moneys so collected refunded.—I have etc.,

H. E. H. SLADEN,
Secretary.

No. 2228-747

Chamber of Commerce,
Bombay, 12th December 1921.

The Secretary, Chamber of Commerce,
Madras.

Dear Sir,— I beg to acknowledge receipt of your letter of the 7th instant, and enclosure, and to thank you for the information therein contained. Before submitting your letter to my Committee however, I shall be grateful if you will be good enough to send me, at your earliest

convenience, a copy of the G. O. 1796 referred to in your letter to the Madras Government as my Committee will then be better in a position to appreciate the action you have taken on their behalf.— Yours faithfully,

C. B. SAYER,
Secretary.

Chamber of Commerce,
Madras, 3rd January 1922.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,— With reference to your letter of the 12th December 1921, I beg to enclose herewith a copy of the G. O. 1796 referred to in this Chamber's letter to the Madras Government.— I remain, etc.,

H. E. H. SLADEN,
Secretary.

GOVERNMENT OF MADRAS.
Local Self-Government Department.
(Local & Municipal)

Whether Companies registered in British Colonies or Foreign Countries are Companies within the meaning of Section 3 (8) of the Madras District Municipalities Act 1920.

Order No. 1796 L & M dated the 12th September 1921.

The Government are advised that Companies registered in the British Colonies or in Foreign Countries are not Companies within the meaning of Section 3 (8) of the Madras District Municipalities Act, 1920, and are not liable to the tax on Companies under Section 92 & Rule 16 of the Schedule IV. They are however liable to the tax on professions under Sections 93 and 95 and rule 17 of the Schedule IV: and under Rule 18 of the same Schedule the tax can he levied even if they transact business in a municipality through their agents, provided the Principal Office or place of employment is within the Municipality and their connection therewith has lasted for 60 days in the half year. If such a Company carries on business in more than one Municipality the procedure laid down in rule 18 of the Schedule IV should be followed.

2. Companies coming within the definition in Section 3 (8) are liable to the tax on Companies under Sections 92 and 95 and Rule 16 of Schedule IV and if such a Company

transacts its business in a Municipality through a servant or agent, such servant or agent and not the Company is liable to the Companies tax under the explanation to Section 92. The amount of tax fixed in the proviso to rule 16 of the Schedule IV is leviable half yearly.

3. The Government do not consider it necessary to define the terms "Head Office" "Branch Office" "Principal Office" and Gross Income occurring in the proviso to rule 16 of the Schedule IV.

4. .....

5. The Government have now under consideration the question of amending the law as to taxation of Companies and pending such legislation the above instructions should be acted upon by Municipal Councils and Local Boards.

(By order of the Government, Ministry of Local Self-Government)

F. J. RICHARDS,
Secretary to Government.

No. 144-247.

Chamber of Commerce,
Bombay, 27th January 1922.

The Secretary, Chamber of Commerce,
Madras.

Dear Sir,—With reference to the correspondence resting with your letter of the 3rd instant, and enclosure, on the subject of the provisions of Section 92 of the Madras District Municipalities Act, 1920, I am directed to forward herewith for the information of your Committee the enclosed copy of a letter which my Committee have addresed to the Madras Government on the subject in question.

2. My Committee will be grateful if you will be good enough to advise them in due course as to the result of your representation.—Yours faithfully,

C. B. SAYER,
Secretary.

No. 145-247.

Chamber of Commerce,
Bombay, 26th January 1922.

The Secretary to the Government of Madras,
Local Self-Government Department,
(Local and Municipal) Madras.

Sir,— I am directed to address you on the subject of the provisions of Section 92 of the Madras District Municipalities Act. 1920 and, more particularly, rule 16 of Schedule IV, which sets forth the scale on which Companies shall pay the half-yearly tax on their Capital for which the aforesaid section makes provision.

2. In the above connection I am to state that my Committee have received numerous representations from members of the Chamber, who have Branches or Agencies throughout the Madras Presidency, protesting against the incidence of the levy in question which has now been generally adopted by practically every Municipality throughout the Presidency.

3. My Committee have recently been in correspondence with the Madras Chamber of Commerce on the subject and they are in receipt of a copy of a letter dated the 7th December 1921 which that Chamber has addressed to the Government of Madras in your Department wherein it is maintained that the manner in which the provisions of the Act under reference have been interpreted and enforced by the various Municipalities is inequitable and operates most unfairly in the case of the many large firms and companies having Agents or connections in the mofussil. From the information before my Committee in the above connection it would appear that not only is the assessment made in the most arbitrary manner but the Municipalities concerned adopt either of the methods of assessment prescribed in the Schedule at their discretion, e. g. in the case of one large firm whose head office is in Bombay and which merely employs local Commission Agents for the supervision of their purchases of cotton in five districts in the Madras Presidency the Agents in question have been taxed, in three instances, on the Agency income, however such income was arrived at, and, in two instances, on the sterling capital of the parent Company, while in the case of another large firm similarly situated, branches situated in twenty-nine different Municipalities, were similarly assessed and taxed.

4. Having regard to the foregoing considerations my Committee are of opinion that the contentions urged by the Madras Chamber in its letter under reference apply, with even greater force, to the case of many members of this Chamber and they desire accordingly to support, in the strongest terms at their command, the various amendments and additions to the existing Act suggested by that Chamber in the letter in question, the adoption of which, is, in their opinion, necessary to the smooth working of the Act.— I have etc.,

C. B. SAYER,
Secretary.

No. 1734-1 L. & M.

Government of Madras,
Local Self-Government Department.
Madras, 31st January 1922.

The Secretary, Chamber of Commerce,
Bombay.

Sir,— I am directed to acknowledge the receipt of your letter No. 145-247 of 1922 dated 26th January 1922. — I have etc.,

J. K. ARMACHALA AIYAR.
for Secretary to Government.

APPENDIX S-I.

DEVELOPMENT OF BOMBAY.

(1) PROPOSED RAILWAY LINE SOUTH OF CHURCHGATE-STATION.

No. S. A. 848.

Development Department.
Old Custom House Yard, Fort,
Bombay, 24th February 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,— I am directed to address your Chamber on the question of running a railway line south of Church Gate Station in a subway to be built in the reclamation.

2. In January 1920, the Bombay Government were informed by the Government of India that the Secretary

of State had been asked to serve a notice on the B. B. & C. I. Railway requiring them to relinquish to Government the line south of Church Gate Station when called upon to do so at any time after 1922, subject to the new termini for local and long distance traffic, at Church Gate and Grant Road respectively, having been constructed, and the electrification of the main line to the local and long distance termini having been completed. The Government of India further stated that this action was recommended to the Secretary of State on the explicit condition that the Bombay Government should be responsible for the cost of replacing railway communication to the area served by the section of the B. B. & C. I. Railway which it is proposed to dismantle, should such restoration be found necessary.

3. The Governor in Council is of opinion that the railway line, if placed south of Church Gate Station, can only be continued underground to Colaba in a subway which will have to be constructed as part of the reclamation and for which provision will have to be made in the layout of the reclaimed area. As a tentative layout is at present under the consideration of the Governor-in-Council, it is necessary that the question as to whether an extension of the railway line south of Church Gate Station will or will not be required in the future should be decided now. The Governor-in-Council, in view of the considerations set forth in the succeeding paragraph, is doubtful whether the expense of constructing a subway would be justified.

4. The main object of the B. B. & C. I. Railway suburban line to Church Gate will be to provide communication between the business area in the Fort and the residential areas and suburbs to the North. Colaba itself, when the cotton green is removed, will gradually become a purely residential suburb and the places of business of the great bulk of the people who will reside there in future, will no doubt be in the Fort area and motors and tramway service will, in the opinion of the Governor in Council, form a far more convenient means of communication than a railway on the approximate alignment of the B. B. & C. I. Railway.

5. I am to request that the Governor in Council, may be furnished with the views of your Chamber in the matter at an early date,—I have etc.

P. W. MONIE,
Secretary to Government.

No. 519-107.

Chamber of Commerce,
Bombay, 4th March 1921.

The Secretary to Government of Bombay,
Development Department, Old Custom House Yard,
Fort, Bombay.

Sir,— I am directed to acknowledge receipt of your letter, No. S. A. 848, dated the 24th February 1921, on the subject of the advisability of running a railway line south of Church Gate Station in a subway to be built in the reclamation.

In reply I am to state that my Committee are of opinion that the expense of constructing a subway of the nature, or for the purpose, described in your letter would not be justified.

I am to add that my Committee's opinion is based upon the assumption that the Colaba area will be served by wide roads and a well-planned tramway service and they concur in the opinion of the Governor in Council that such service will form a far more convenient means of communication with the Fort area than a railway on the approximate alignment of the B. B. & C. I. Railway.—I have etc.,

C. B. SAYER,
Secretary.

APPENDIX S-2.

DEVELOPMENT OF BOMBAY.

(2) PROPOSED LAYOUT OF THE RECLAIMED AREA AT BACK BAY.

No. S. A. 1422.

Development Department,
Old Custom House Yard, Fort,
Bombay, 8th April 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—In connection with the preparation of a layout of the area which is at present being reclaimed on the

Back Bay, I am directed to request that you will be so good as to furnish Government at an early date with any suggestions which your Chamber may wish to make in regard to the erection of public buildings on the reclamation. I am to say that what Government primarily desire at present is to be informed of proposals for public buildings which are of sufficient importance to be considered in designing the general layout of the area, and that they are not at present ready to discuss the terms on which sites for public buildings will be allotted or to determine what proportion of the total area can be reserved for public buildings, recreation grounds, etc. A copy of a plan showing a suggested layout of the area is forwarded herewith. This is purely provisional, and has not been accepted by Government. It is sent merely in order to assist your Chamber in making its suggestions.—I have etc.,

P. W. MONIE,
Secretary to Government.

No. 843-72.

Chamber of Commerce,
Bombay, 21st April 1921.

The Secretary to Government of Bombay,
Development Department,
Old Custom House Yard, Fort,
Bombay.

Sir,—I have the honour to acknowledge receipt of your letter, No. S. A. 1422 of the 8th instant enquiring whether my Committee have any suggestions to put forward in regard to the erection of public buildings on the area which is at present being reclaimed on the Back Bay. In reply I am to state that my Committee have no suggestions to put forward at the moment, but they desire me to request that the matter may be referred to them again at a later stage.—I have etc.,

H. ROYAL,
for Secretary.

APPENDIX S-3.

DEVELOPMENT OF BOMBAY.

(3) MILITARY LANDS SCHEME.

No. S. A. 4797.

Development Department,
Old Custom House Yard, Fort,
Bombay, 12th December 1922.

The Secretary, Chamber of Commerce,
Bombay.

Subject :—Military Lands Scheme, Bombay.

Sir,—I am directed to forward herewith for the information of your Chamber a copy of the Press Note No. S. A. 4755, dated 9th December 1921 on the above subject.—I have etc.,

P. W. MONIE,
Secretary to Government.

PRESS NOTE.

Military Lands Scheme.

Prior to the war the question of the land held by the Military Department in Bombay had been under discussion for many years, Government on the one side desiring to obtain the release of some of the scattered military properties in the Fort area for purposes of commercial expansion, the Military authorities on the other hand being unable to fall in with these views owing to their inability to find other sites to reinstate the services that would be displaced. In 1911 a scheme for reclaiming Back Bay was put forward by the Local Government and specific provision was made for making available 100 acres for the Military Department at Rs. 7 per square yard, this being Mr. Kidd's estimate of the cost of the Reclamation, excluding interest charges. The proposal fell to the ground, however, as the Government of India did not see their way to sanction the Reclamation at that time, and little further progress was made till 1914 when negotiations remained in abeyance owing to the war. When the war was over, the Bombay Government took up the Back Bay

Reclamation Scheme again and obtained sanction to it in 1920. At the same time, the Military Lands Scheme came forward in a larger form, the proposal being to relinquish practically the whole of the Military properties in the Fort area and to reinstate the various services partly on reclaimed land at Colaba, and partly at Deolali. At first, negotiations did not make much progress, as the area, said to be required for Military purposes at Colaba, was considered to be too large to be surrendered out of the Reclamation; but this was finally reduced to 265 acres.

2 On this basis a settlement was effected as follows:-

(*a*) The Government of India in the Military Department have agreed to relinquish the following properties, and each plot, as vacated, is to be handed over to the Government of Bombay for disposal through the Development Department, on behalf of the Government of India:—

Serial No.	Description.		Area, square yards.
1	Queen's Road	...	99,517
2	Carnegy Lines	...	28,318
3	Old Saluting Battery	...	5,600
4	Castle Park Arsenal	...	42,099
5	Old Town Barracks	...	14,545
6	Old Garrison Stables	...	441
7	Old Executive Engineer's Office	...	1,832
8	Palton Road Warrant Officers' Quarters	...	2,406
9	Old Palton Lines	...	30,168
10	Old Sailors' Home	...	899
11	Seaside Villa	...	1,157
12	Old Defence Office, Middle Colaba	...	6,008
13	Ordnance Lascar Quarters, Middle Colaba	...	4,412
14	Gun Carriage Factory, Middle Colaba		35,338

(*b*) The proceeds of these sales are to be credited to the Government of India and held in a

special suspense account for the purposes of the scheme as follows:—

(i) To defray the cost of reinstating at Colaba or Deolali the services displaced by the sale of the properties above referred to, together with the provision of accommodation for such Military units now stationed in Bombay as would under ordinary rules have been given accommodation, but for whom no accommodation has, up to now, been provided owing to lack of sites, and

(ii) To meet the cost of 265 acres of reclaimed land at the southern end of the Back Bay Reclamation which the Government of Bombay have agreed to hand over to the Military Department in an undeveloped state, as soon as it is ready, at an all-over-rate of Rs. 20 per square yard.

(*c*) In the case of any Military property to be disposed of, which may be required by the Government of Bombay or by a local body, the rate for purposes of transfer is to be the market value which is to be settled by agreement, or, failing agreement, by arbitration, an arbitrator mutually agreed upon to be assisted by two assessors, one selected by each party to the arbitration.

(*d*) The Military buildings and works, referred to in paragraph (*b*) (*i*), are to be included in a schedule of requirements to be prepared by the Military Department for the acceptance of the Government of Bombay. No additions to the schedule are to be made, subsequent to its acceptance, without the approval of the Government of Bombay.

(*e*) The construction of the Military buildings at Colaba and Deolali is to be carried out by a special engineering establishment to be provided by the Government of India in the Army Department, under the joint administrative control of the Director of Development and the General Officer Commanding, Bombay District, to whom considerable powers have been delegated by the Government of India. The

Accounts Officer of the Development Department will also be the Accounts Officer for the purposes of the maintenance of the special account of Military receipts and expenditure, and his powers and functions in this respect will be similar to those which he exercises under the Development Scheme.

(*f*) If, after meeting budget requirements for immediate and prospective Military buildings and works under the scheme, funds are available from the suspense account, the Government of India will be prepared to make advances to the Government of Bombay, on terms to be arranged against the cost of the reclaimed land to be handed over to the Military Department, to assist the Government of Bombay in financing their part of the work.

(*g*) If the whole transaction results in a profit, such profit is to be shared between the Government of India and the Government of Bombay, the Government of Bombay receiving 50 per cent. of the first crore, 40 per cent. of the second crore and 30 per cent. of the third crore in return for their assistance in carrying out the scheme.

3. It is not possible to forecast whether the scheme will result in a profit, that is, whether the proceeds of the sale of the properties detailed in paragraph 2 (*a*) will exceed the expenditure indicated in paragraph 2 (*b*) or the reverse. But whilst the Government of Bombay stand to share the profit if there is one, they incur no liability should the scheme result in a loss.

4. As regards the rate of Rs. 20 per square yard at which the Government of Bombay have agreed to sell 265 acres of reclaimed land at Colaba the following indicates how the rate was arrived at. The most important fact to remember in this connection is that 64 acres out of the area to be made available for the Military Department forms a sector which falls within the zone of fire of the Colaba battery and has no value as residential land, since it can in no case be built on. As already stated, it was proposed in the Reclamation Scheme put forward in 1911, to sell 100 acres of reclaimed land to the Military authorities at cost price, excluding interest charges, and, in connection with the negotiations

leading up to the present settlement, it was felt that this former offer could not altogether be ignored. It was considered, however, that interest charges during construction could fairly be included in a cost price figure and it was decided to offer 100 acres at Rs. 10 per square yard as cost price *plus* interest, and the balance, 165 acres, at the market value. It will be understood that the land will be handed over to the Military authorities in an undeveloped condition, that is, without roads, drains, etc., and it was decided to base the value on the probable market value of developed plots in the area at the time of transfer in 1926 or 1927. This must largely be a matter of conjecture, but for purposes of calculation, it was taken at Rs. 40 per square yard, and the corresponding value for undeveloped land at Rs 25 per square yard. It will be realised that in actual practice, Rs. 40 per square yard could not be obtained in the market on the date of transfer to the Military Department, because several years would be required to make the roads and drains and to dispose of the plots to the public. So that in basing the value on a market value of Rs. 40 per square yard for developed land at the date of transfer, Government were really assuming a value considerably higher at the date they would be in a position to sell to the public.

5. The land was accordingly offered to the Government of India on the following terms:—

	Lakhs. Rs.	Lakhs. Rs.
100 acres at Rs. 10 per square yard ...	48·40	
165 acres at market value calculated for undeveloped land at Rs. 25 per square yard ...	199·65	248·05
Subject to the proviso that at the time of handing over the land it might be open to either side to ask for reconsideration of the rate of Rs. 25 for undeveloped land, the rate, if necessary, to be settled by arbitration;		

	Lakhs. Rs.	Lakhs. Rs.
or, in the alternative, the land was offered at a fixed all-over rate of Rs. 20 per square yard.		
265 acres at Rs. 20 per square yard ...		256·52

The fixed all-over rate of Rs. 20 was accepted by the Government of India.

6. Since the agreement was made, revised figures of the cost of the Reclamation have been prepared and the result was communicated to the Indian Merchants' Chamber and Bureau in a reply to a communication submitted by them. In accordance with these figures, the total cost of the Reclamation at the time of transfer of land to the Military Department, including interest, will be Rs. 618 lakhs, equivalent to Rs. 11 per square yard, and, as the figures referred to are believed to be an over-estimate, it is not in the least likely that Government will lose by having fixed the cost price at Rs. 10. In any case Government will receive from the Military Department for the whole area about double what the land will at that date have cost them. Under the circumstances, Rs. 20 per square yard which this Government will get for the 265 acres is considered to be reasonable, especially in view of the fact already stated that 64 acres thereof will have no value for building purposes. Further Government will receive a share of any profit on the whole transaction, whilst the public and public bodies will secure the use of valuable sites in the heart of the Fort for commercial or public purposes. The Military, on the other hand, will obtain land which will enable them to provide up-to-date accommodation for the Indian Infantry Regiment and for other services, together with sufficient open space for the erection of temporary camps when necessary, thus avoiding the use for such purposes in future of the existing open spaces allotted to the public.

P. W. MONIE,

Secretary to Government.

APPENDIX T-I

THE INDIAN COTTON COMMITTEE

No. 563-A. C.

Associated Chambers of Commerce
of India and Ceylon, Royal Exchange,
Calcutta, 11th March 1921.

The Secretary, Chamber of Commerce,
Bombay.

The Indian Cotton Committee's Report.

Dear Sir,—I am directed to hand you for the information of your Chamber, the attached copy of a letter, No. 301-103 dated 8th March 1921, from the Government of India, Department of Revenue and Agriculture. Copies of the enclosures to the letter are also forwarded.—Yours faithfully,—

H. M. HAYWOOD,
Secretary.

No. 301-103.

Government of India,
Department of Revenue and Agriculture,
Delhi, the 8th March 1921.

The Secretary to the
Associated Chambers of Commerce
of India and Ceylon, Royal Exchange,
Calcutta.

Sir,—In reply to your letter, No. 404-A.C., dated the 4th February 1921, I am directed to forward a copy of the reply* given to the Hon'ble Sirdar Jogendra Singh's question in the Council of State regarding the steps taken to give effect to the Cotton Committee's Report.—I have etc.,

J. W. HEARN,
Under-Secretary.

No. 677-A. C.

Associated Chambers of Commerce
of India and Ceylon, Royal Exchange,
Calcutta, 18th April 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—Adverting to my No. 563-A.C. dated 11th March 1921. I am now directed to hand you the attached

* See Report. Vol. I p. 187.

copy of a letter dated 15th April (with its enclosure) from the Upper India Chamber of Commerce.—Yours faithfully,

H. M. HAYWOOD,
Secretary.

Letter dated 15th April 1921, from the Secretary, Associated Chambers of Commerce of India and Ceylon.

With reference to your letter No. 573-A. C. of 11th March 1921. I beg to hand you herewith, for your information, copy of a communication addressed to the Government of India in connection with the above.

Letter dated 14th April 1921, from the Secretary, Upper India Chamber of Commerce to the Secretary to the Government of India, Department of Revenne and Agricnlture, Simla.

I am directed to refer to the reply given by the Hon'ble Rao Bahadur B. N. Sarma, Member for Revenue and Agriculture on the 28th February 1921 to the Hon'ble Sardar Jogendra Singh's question regarding the steps taken to give effect to the Cotton Committee's Report.

A statement showing the action taken by the Government of India on the recommendations of the Indian Cotton Committee's Report accompanied the reply of the Hon'ble Member for Revenue and Agriculture.

I am directed to enquire if Government now has anything further to announce in regard to the action taken or contemplated on the recommendations of the Cotton Committee and in particular in connection with the following points:—

(1) Have Officers been detailed yet on special duty by the Governments of Bombay and the Punjab to investigate the irrigation supplies available in the Punjab rivers?

(2) Can any details be made available as to the recent expansion of the Provincial Departments of Agriculture and the names be furnished of the officers appointed, together with the particulars of the post and the circle to which appointed?

(3) Is there anything further to announce as to the establishment of cotton markets, the standardisation of weights and the licensing of gins and presses?

(4) Is any information available as to what has been done by local Governments and Provincial Departments of Agriculture to ensure cleaner picking of cotton?

(5) Has anything definite been done yet towards the improvement of cotton forecasts?

(6) What has been done towards the formation of a Central Cotton Committee and of Provincial Committees? If a resolution has been issued will a copy be kindly furnished to the Chamber?

No. 901-130.

Chamber of Commerce,
Bombay, 3rd May 1921.

The Secretary,
Upper India Chamber of Commerce,
Cawnpore.

Dear Sir,—I am directed to refer to a letter, dated the 14th April 1921, addressed by your Committee to the Government of India with reference to the question of steps taken by Government to give effect to the Indian Cotton Committee's report.

In the above connection I am to state that my Committee will be glad if you will be good enough to favour them in due course with a copy of the Government of India's reply to your representation.—Yours faithfully,—

C. B. SAYER,
Secretary.

No. 923-130.

Chamber of Commerce,
Bombay, 5th May 1921.

The Secretary,
Associated Chambers of Commerce
of India and Ceylon. Royal Exchange,
Calcutta.

Dear Sir,—I am directed to acknowledge receipt of your letter No. 677 dated the 18th April 1921 forwarding copy of the representation addressed to the Government of India by the Upper India Chamber with reference to the question of the steps taken by Government to give effect to the Indian Cotton Committee's recommendations and to advise you that my Committee have requested the Upper India Chamber to favour them with a copy of the Government of India's reply to their letter.—Yours faithfully,

H. ROYAL,
for Secretary.

Upper India Chamber of Commerce,
Cawnpore, 31st May 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—With reference to your letter of the 3rd instant I have pleasure in handing you herewith, for your information copy of a letter dated the 23rd May from the Government of India in reply to this Chamber's letter of 14th April last regarding the Indian Cotton Committee Report.—Yours faithfully,

J. G. RYAN,
Secretary.

Copy of a letter No. 606-103 dated the 23rd May 1921, from the Under Secretary to Government of India, Department of Revenue and Agricultnre (Agriculture), Simla to Chamber.

I am directed to acknowledge the receipt of your letter dated the 14th April 1921 in which you refer to the reply given by the Hon'ble Member in this Department to the Hon'ble Sardar Jogendra Singh at the meeting of the Council of State held on the 28th February 1921 and enquire what action has been taken or is contemplated with regard to certain matters specified in your letter as a result of the recommendations made in the report of the Indian Cotton Committee.

2. In reply I am to enclose a copy of the resolution issued by this Department No. 404-22 dated the 31st March 1921 in which the Government of India have announced the constitution of a Central Cotton Committee in accordance with the proposals contained in chapter XIX of the Report, consisting of official and non-official members with a whole time Secretary, who has already taken up his duties. Local Governments have been requested to nominate their provincial representatives without delay with a view to all interests being fully represented at the first meeting of the Central Cotton Committee at Bombay which has been fixed provisionally for the 20th July and following days. The agenda of the first meeting of the Committee has been forwarded to the Government of the Upper Provinces for communication to the representative of the Upper India Chamber of Commerce nominated to sit on the Committee.

3. The recommendations of the Indian Cotton Committee on the licensing of gins and presses and restriction of transport to check fraudulent mixing have been

specifically referred by the Government of India to the Central Cotton Committee for their opinion and advice with a view to the early introduction of legislation, if necessary. The question of standardisation of weights in gins and presses will doubtless be considered by the Central Cotton Committee in connection with the question of licensing. The question of the establishment of cotton markets is largely a matter for Local Governments. The Upper India Chamber of Commerce have doubtless seen the proceedings of the Board of Agriculture in India for December 1919 in which details were discussed with the trade representatives who attended the Board by invitation. As regards the question of cleaner picking of cotton (Kapas) your attention is invited to Recommendation 9 (page 73) of the proceedings of the Board of Agriculture in India 1919. The problem being largely a local one and the co-operation of the trade being apparently essential to progress this question is one that can be appropriately taken up by Provincial Cotton Committees when established but if considered desirable your Chamber might make a reference to the Central Cotton Committee on the subject.

4. As regards the expansion of Provincial Agricultural Departments I am to forward a statement showing the posts recommended by the Indian Cotton Committee and those so far sanctioned. The statement does not include various other posts which have been created for the purpose of strengthening the Agricultural staffs of the provinces (apart from the recommendations of the India Cotton Committee) in pursuance of the general policy of expansion of local Agricultural Departments. Officers for a large number of these additional posts have already been recruited while candidates for the remainder are being sought. The names of officers already appointed with particulars of their posts and the circles to which they have been appointed can be ascertained on application to the local Government concerned.

5. The question of the improvement of cotton forecasts is under the consideration of the Government of India along with the improvement of crop forecasts generally and it is hoped that it will be possible to issue orders on the subject shortly. The employment of officers to investigate the irrigation supplies available in the Punjab rivers is a matter of Provincial concern and I am to suggest that the local Governments concerned should be approached for the supply of the information required by your Chamber in the matter.

Statement showing the posts created as a result of the recommendations of the Indian Cotton Committee.

Province.	Director of Agriculture.		Dy. Directors.		Asstt. Directors.		Economic botanists.		Mycologists.		Entomoligists.		Ramarks.
	No. recommended by Cotton Committee.	No. sanctioned	No. recommended by Cotton Committee.	No. sanctioned.	No. recommended by Cotton Committee.	No. sanctioned.	No. recommended by Cotton Committee.	No. sanctioned.	No. recommended by Cotton Committee.	No. sanctioned	No. recommended by Cotton Committee.	No. sanctioned.	
Imperial ...	...	...	...	...	...	...	...	...	1*	...	...	...	* Unnecessary as local Govts. have decided to appoint their own Mycologists.
Madras ...	...	...	2	2	...	...	1	1	...	...	...	...	
Bombay ...	...	...	2	2	1	...	3†	1	...	...	...	...	† Only one post considered necessary by local Govt. which has been sanctioned.
Sind ...	1‡	...	1‡	...	...	...	1	1	...	...	...	...	
United Provinces.	...	...	3	2	...	...	1*	1	...	...	1	1	
Punjab ...	...	...	3	3	...	...	1§	...	...	...	...	...	‡ Not recommended by Bombay Govt. Proposals further to increase the U. P. cadre are under consideration.
N. W. P.	...	...	1¶	...	...	...	...	...	...	...	...	...	
Central Provinces.	...	...	...	...	...	...	1	1	...	...	...	...	
Burma ...	...	...	...	...	...	...	1	1	...	...	...	...	§ Included in proposals now going up to Secy. of State.
Total ...	1	...	12	9	1	...	9	6	1	...	1	1	¶ Not considered necessary by local Government.

No. 812-A. C.

Associated Chambers of Commerce
of India and Ceylon, Royal Exchange,
Calcutta, 2nd May 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—In continuation of my No. 677-88-A. C., dated 18th April 1921, I am now directed to hand you the attached copy of a letter, No. 511-103 dated 28th April, from the Government of India, Department of Revenue and Agriculture (and its enclosure), with reference to the action taken by Government on the recommendations of the Indian Cotton Committee. With my letter No. 552 A. C. of the 9th April, which is quoted by the Department of Revenue and Agriculture, I forwarded a copy of the report of the discussion which took place on this subject at the annual meeting of the Associated Chambers in January last.—Yours faithfully,

H. M. HAYWOOD,
Secretary.

Letter No. 511-103 dated 28th April 1921 from the Government of India, Department of Revenue and Agriculture, (Agriculture), to the Associated Chambers of Commerce of India and Ceylon.

I am directed to acknowledge the receipt of your letter No, 552-A. C., dated the 9th April 1921, and to enclose, for the information of the Associated Chambers of Commerce of India and Ceylon, a copy of the resolution issued by this Department No. 404-22 dated the 31st March 1921, from which it will be seen that the Government of India have since constituted a Central Cotton Committee at Bombay composed of official and unofficial representatives from each province and a wholetime Secretary, to concert with Local Governments and private bodies as to the measures necessary to extend the cultivation of long staple cotton in India and other cognate matters such as improved methods of ginning and marketing etc., in accordance with the recommendations made in the Indian Cotton Committee's Report.

No. 404-22.

GOVERNMENT OF INDIA

DEPARTMENT OF REVENUE AND AGRICULTURE.

Agriculture.

Delhi 31st March 1921.

Resolution.

In their Resolution No. 674-191 dated the 2nd August 1919, the Government of India indicated broadly the lines on which it was proposed to dispose of the recommendations in the Report of the Indian Cotton Committee. They are now able to announce their decision on the proposals made in Chapter XIX of the Report relating to the formation of a Central Cotton Committee.

2. Local Governments and Administrations were consulted and were asked to obtain the views of the various Trade Associations and Chambers of Commerce on the proposal. Replies have now been received from all local Governments and Administrations, who generally support the proposal, and the Government of India have accordingly decided to constitute a Central Cotton Committee with headquarters at Bombay.

3. The functions of the Committee will be mainly advisory, and, subject to any modifications and additions which may subsequently be found necessary, will follow generally the lines indicated by the Indian Cotton Committee in paragraph 261 of its report.

4. The Committee will, at the outset, be composed as follows, but additions to, and alterations in, its composition may be made from time to time on the recommendation of the Committee :—

Official Representatives.

President.

1. The Agricultural Adviser to the Government of India.

Members.

A representative of the Agricultural Department in :—

2. Madras.
3. Bombay.
4. The Punjab.
5. The United Provinces.

6. Burma.
7. The Central Provinces and Berar.
8. Sind.
9. The Director-General of Commercial Intelligence.

Non-official Representatives.

A representative of each of the following bodies:—

10. The East India Cotton Association, if established, or, in the alternative, the Bombay Cotton Trade Association.
11. The Bombay Millowners' Association.
12. The Bombay Chamber of Commerce.
13. The Ahmedabad Millowners' Association.
14. The Karachi Chamber of Commerce.
15. The Tuticorin Chamber of Commerce.
16. The Upper India Chamber of Commerce
17 & 18. Two representatives of the Central Provinces and Berar to be nominated by the local Administration from manufacturers or ginners.
19. A representative of the Madras Presidency to be nominated by the local Government from manufacturers or ginners.
20. A representative of the Punjab to be nominated by the local Government from manufacturers, ginners or large producers.
21. A representative of Bengal.
22. A representative of Lancashire.

Other representatives.

23. A member of the Co-operative Department, official or non-official, to be nominated by the Government of India.
24. A representative of the Hyderabad State.
25. A representative of the Baroda State.
26. A joint representative of the States in Rajputana and Central India.

5. The members of the Committee will be appointed in the first instance for a period of two years, and steps will now be taken to nominate the personnel in consultation with the local Governments and Administrations and the Darbars concerned. Proposals have been approved by His Majesty's Secretary of State regarding the appointment of a Secretary to the Committee, and

the officer selected for this appointment is Mr. B. C. Burt, at present a Deputy Director of Agriculture in the United Provinces. On his appointment the Secretary will be directed to submit proposals regarding his staff and the place and time of the first meeting of the Committee.

6. The cost of the Committee will be met from Imperial Revenues.

7. Subject to the submission to them for sanction of any proposals requiring it under the ordinary financial rules, the Government of India leave it to the discretion of Local Governments and Administrations to decide the composition and details of organisation of their provincial and local Committees.

Ordered that a copy of the Resolution be communicated to all local Governments and Administrations, the Agricultural Adviser to the Government of India and the Finance, Commerce, Public Works and Foreign and Political Departments, for information, in continuation of Resolution No. 764-191 dated the 2nd August 1919.

Ordered also that the Resolution be published in the Supplement to the *Gazette of India* for general information.

J. HULLAH,
Secretary to the Government of India.

APPENDIX T-2.

THE INDIAN CENTRAL COTTON COMMITTEE.

No. A. 71.

Revenue Department,
Secretariat, Fort,
Bombay, 2nd May 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—In forwarding a copy of the *Resolution of the Government of India No. 404-22 dated 31st March 1921 containing their orders on the constitution of the Central Cotton Committee, I am directed by the Government of Bombay (Transferred Departments) to request that you will be good enough to communicate to this Government the name of the representative of your

* Already printed in this Report. See p. 1058.

Chamber whom it is desired to nominate as your representative on the Committee. I am also to request that the reply to this letter may be sent at a very early date.—I have etc.,

SHAMRAO D. MANKAR,
Under Secretary to the Government of Bombay.

No. 1122-167.
Chamber of Commerce,
Bombay, 1st June 1921.

The Under Secretary to the
Government of Bombay,
Revenue Department, Bombay.

Sir,—With reference to your letter No. A. 71, dated the 2nd May 1921, I am directed to inform you that Mr. V. A. Grantham (of Messrs, Forbes Forbes Campbell & Co. Ld.) has been elected to serve as the Chamber's representative on the Central Cotton Committee.—

I have etc.,
H. ROYAL,
for Secretary.

Indian Central Cotton Committee.

PROCEEDINGS.

July 21st, 1921.

Subject I.

Proposal of the Indian Cotton Committee for the control of Gins and Presses.

The Report of sub-committee "A" was read and discussed. Resolved—

I. With reference to paragraph 225 of the Indian Cotton Committee's report the Central Cotton Committee agree that:

(1) The proper marking of bales at presses is essential.

(2) The maintenance of press records which would enable the ownership of every bale to be established should be compulsory.

(3) Statistical returns should be compulsory.

II. The Central Committee then considered the sub-committee's report on paragraph 225 (*a*) to (*m*) of the report of the Indian Cotton Committee.

> *Resolved* that the Central Cotton Committee are not in favour of prescribing standard plans for new ginning factories but that steps should be taken, if necessary by legislation, to ensure that in *all new* ginning factories separate exits and entrances should be provided and certain other minor requirements provided for but that otherwise the lay-out of the factory should be left to the owner. They consider that plans should be submitted for approval to Provincial cotton committees and/or Provincial agricultural departments.

III. The Central Cotton Committee were opposed to the proposal in paragraph 225 (*b*) of the Indian Cotton Committee's report and considered that the proposal in paragraph 225 (*c*) could not be insisted on in practice.

IV. *Indian Cotton Committee's report paragraph* 225 (*d*).—The Central Cotton Committee recommend that this should be amended to read as follows:—

> "In press houses where cotton is handled on the ground floor this floor should be paved."

Indian Cotton Committee's report, paragraph 225 (*e*).—The Central Cotton Committee consider that this would be difficult to enforce.

Paragraph 225 (*f*).—Dealt with in I (3) above.

Paragraph 225 (*g*).—*Resolved* "With reference to paragraph 5 of Mr. Innes' letter, the Indian Central Cotton Committee observe that the new Factories Bill does not contain any clause corresponding to clause 27 in Act XII of 1911 exempting cotton ginning factories from certain provisions of the Factories Act. If the Bill be passed as drafted all ginning factories employing over 20 persons will automatically come under the Act and local Governments will have power to bring factories employing over 10 persons under the Act. In the opinion of the Central Cotton Committee this is sufficient but it desires to have an opportunity of reconsidering the question should the Factory Bill be materially altered.

Paragraph 225 (*h*).—The Central Cotton Committee endorse this recommendation.

Paragraph 225 (*i*).—The Central Cotton Committee consider that this recommendation should be amended to read:—

> "The owner of a ginning factory should undertake to keep a complete daily record of all the cotton or *kapas* ginned in his factory showing in detail the name of the person for whom it was ginned. In the case of a pressing factory the daily record should show the quantity of cotton pressed, the name of the person for whom it was pressed, and the number of bales pressed daily, and where necessary for statistical purposes, the weight of each bale. The owner of a pressing factory should mark each bale with the number assigned to the factory and with a running serial number for the season to ensure that the identity of the original owner of the bale may be known."

System of marking bales.—The Central Cotton Committee consider that bales should be clearly marked on the flat side of the bale with the number of the factory and the running serial number.

Paragraph 225 (*j*).—This was not considered necessary by the Central Cotton Committee but is unobjectionable provided that the words "members of the Central Cotton Committee or of provincial or local committees" are omitted.

Paragraph 225 (*k*).—The Central Cotton Committee consider this recommendation unnecessary as measures to control seed to deal with insect pests should be taken under a Pests Act.

Paragraph 225 (*l*).—The Central Cotton Committee consider that this should be provided for in the Factories Act.

Paragraph 225 (*m*).—The Central Cotton Committee consider the proposal to be unworkable.

Machinery for carrying out the above recommendations.

It was considered that it was essential that rules for the marking of bales, maintenance of records and submission of statistical returns should be uniformly enforced throughout India. The sub-committee's recommendation was therefore amended to read as follows:—

> "The Central Cotton Committee consider that an all-India Act should be passed by the Central Legislature empowering Local Governments to

frame rules with a view to giving effect to all or any of the above recommendations. The principal Act should enforce the marking of bales and the maintenance of proper press records and the furnishing of statistical returns."

The report of the sub-committee as amended was unanimously accepted.

REPORT OF SUB-COMMITTEE "A"—JULY 20TH, 1921.

Chairman—Mr. H. A. F. Lindsay.

Members:

1. Mr. V. A. Grantham (Bombay Chamber of Commerce).

2. Mr. Mathuradas Vassanji (Indian Merchants' Chamber and Bureau).

3. Mr. C. W. duBreul (Cotton Contracts Board).

4. Seth Mangaldas Girdhardas Sahib (Ahmedabad Millowners' Association).

5. Mr. H. P. M. Rae (Madras Commercial representative).

6. Mr. N. A, Dravid, M.L.C. (Berar Cotton Ginners and Merchants).

7. Mr. F. S. Travers (Karachi Chamber of Commerce).

8. Mr. Manilal Nanavati (Director of Commerce and Industries, Baroda).

9. Dr. H. H. Mann (Director of Agriculture, Bombay).

10. Mr. Mazhar Husain (Director of Agriculture, Hyderabad).

11. Hon'ble Mr. Lalubhai Samaldas (Co-operative Representative).

12. Mr. C. A. H. Townsend (Director of Agriculture, Punjab).

13. Dr. A. E. Parr (Deputy Director of Agriculture, Aligarh).

14. Mr. B. C. Burt (Secretary).

Read Indian Cotton Committee's report, paragraphs 219 and 223 to 231.

Subject I.

Licensing of Gins and Presses.

The sub-committee first considered the different conditions proposed by the Indian Cotton Committee for gin licences as an indication of the improvements which it was desired to introduce with a view to coming to a conclusion with regard to general principles before discussing the machinery required.

(1) With reference to paragraph 225 of the Indian Cotton Committee's report, section (*i*), the sub-committee agreed that the proper marking of bales at the press is essential.

(2) Press records should be maintained which would enable the ownership of every bale to be established (carried by majority, two members opposing).

(3) Statistical returns, paragraph 225 (*f*), should be compulsory.

Paragraph 225 (*a*).—The sub-committee were not in favour of standard plans for new presses. Mr. Townsend stated that the Punjab Government, when giving facilities for factory sites in the new canal colonies, insisted on the plans being approved by the Department of Agriculture on conditions broadly similar to those recommended by the Indian Cotton Committee.

The sub-committee considered that steps should be taken to ensure, if necessary by legislation, that in all new ginning factories separate exits and entrances should be provided and certain other minimum requirements provided for but that otherwise the lay-out of the factory should be left to the owner. They considered that plans should be submitted for approval to provincial cotton committees and/or provincial agricultural departments (carried by majority, two members opposing).

Paragraph 225 (*b*).—The sub-committee were unanimously opposed to this.

Paragraph 225 (*c*).—The sub-committee considered it impossible to insist on this in practice.

Paragraph 225 (*d*).—The sub-committee recommended that all press houses should be paved. The sub-committee remarked that this was the common practice and considered that it should be insisted on both for new and existing presses.

Paragraph 225 (*e*).—The sub-committee considered that this would be difficult to enforce.

Paragraph 225 (g).—The sub-committee proposed the following draft Resolution for consideration of the Committee :—

> "With reference to paragraph 5 of Mr. Innes' letter the Indian Central Cotton Committee observe that the proposed new Factories Act does not contain any clause corresponding to clause 27 in Act XII of 1911 exempting cotton ginning factories from certain provisions of the Factory Act. If the Act be passed as drafted all ginning factories employing over 20 persons will automatically come under the Act and Local Governments will have power to bring factories employing over 10 persons under the Act. In the opinion of the Central Cotton Committee this is sufficient but it desires to have an opportunity of reconsidering the question should the draft Factory Act be materially altered."

Paragraph 225 (h).—The sub-committee accepted this recommendation.

Paragraph 225 (i).—This recommendation was accepted by the sub-committee as amended below :—

> "The owner of a ginning factory should undertake to keep a complete daily record of all the cotton ginned in his factory, showing in detail the name of the merchant for whom it was ginned and the quantity of cotton ginned daily. In the case of a pressing factory, the daily record should show the name of the person for whom it was pressed, the weight of each bale and the number of bales pressed daily. The owner of a pressing factory should undertake to mark bales with the number assigned to the factory."

System of marking Bales.—The sub-committee considered that bales should be clearly marked on the flat side of the bale with the serial number of the factory as recommended by the Indian Cotton Committee.

Paragraph 225 (j).—The sub-committee did not consider this necessary but they did not object to it provided that members of the Central Cotton Committee or of the provincial or local committee were omitted.

Paragraph 225 (k).—This condition was considered unnecessary as measures to control seed to deal with insect pests should be taken under a Pests Act.

Paragraph 225 (l).—Lighting of factories.—The sub-committee considered that this should be provided for in the Factory Act.

Paragraph 225 (m).—The sub-committee considered this proposal unworkable.

As regards the machinery proposed to carry out these improvements, the sub-committee considered that an all-India Act should be passed by the Central Legislature empowering Local Governments to frame rules with a view to giving effect to all or any of the above recommendations. This was accepted unanimously. Messrs. Grantham and duBreul (who are temporarily absent on another sub-committee) pointed out, however, that the all-India Act should contain provisions for the marking of the bales and the maintenance of records and returns, otherwise statistical information would be incomplete as in the past. The marking of bales is the most important of these proposals and to be effective must be universal.

PROCEEDINGS—JULY 21ST, 1921.

Subject II.

The report of sub-committee "A" of July 20th was read and discussed and amended.

Resolved—

I. That the Indian Central Cotton Committee recommend that an all-India Enabling Act be passed empowering Local Governments to notify areas into which the import of cotton and/or waste and/or cotton seed and/or *kapas* shall be prohibited except under such rules as may be framed by the Local Government. The term cotton is to be taken to include fully-pressed bales, half-pressed bales and loose cotton.

II. That when rules are being framed by Provincial Governments under this Act the Indian Central Cotton Committee should be consulted.

III. *Definition of cotton waste.*—The term cotton waste means droppings, strippings, fly and any soft waste product of a mill as distinct from hard waste which means yarn waste.

Carried unanimously.

REPORT OF SUB-COMMITTEE "A"—JULY 20TH, 1921.

Chairman—Mr. H. A. F. Lindsay.

Members:

1. Mr. V. A. Grantham (Bombay Chamber of Commerce).
2. Mr. Mathuradas Vassanji (Indian Merchants' Chamber and Bureau).
3. Mr. C. W. duBreul (Cotton Contracts Board).
4. Seth Mangaldas Girdhardas Sahib (Ahmedabad Millowners' Association).
5. Mr. H. P. M. Rae (Madras Commercial representative).
6. Mr. N. A. Dravid. M.L.C. (Berar Cotton Ginners and Merchants).
7. Mr. F. S. Travers (Karachi Chamber of Commerce).
8. Mr. Manilal Nanavati (Director of Commerce and Industries, Baroda).
9. Dr. H. H. Mann (Director of Agriculture, Bombay).
10. Mr. Mazhar Husain (Director of Agriculture, Hyderabad).
11. Hon'ble Mr. Lalubhai Samaldas (Co-operative Representative).
12. Mr. C. A. H. Townsend (Director of Agriculture, Punjab).
13. Dr. A. E. Parr (Deputy Director of Agriculture, Aligarh, U. P.).
14. Mr. B. C. Burt (Secretary).

Subject II.

The sections of the Indian Cotton Committee's report dealing with restrictions on transport to prevent adulteration were read and discussed. After considerable discussion, it was pointed out that there were three alternative methods of proceeding with legislation:—

I. By an all-India Act on the lines recommended by the Indian Cotton Committee.

II. By an all-India Enabling Act empowering Local Governments to take action.

III. By allowing Local Governments to take action on the lines of the draft Bombay Bill referred to in Mr. Innes' letter requiring in each case the previous sanction of the Government of India, Railways being a Central Subject.

Alternative III was considered practicable and method II was adopted unanimously by the sub-committee, although a number of members of the sub-committee preferred method I.

The sub-committee therefore recommended that an all-India Enabling Act be passed, empowering Local Governments to notify areas into which the import of cotton and/or *kapas* and/or waste and/or cotton seed shall be prohibited except under such rules as may be framed by the Local Government. The term "cotton" is to be taken, to include fully-pressed bales, half-pressed bales and loose cotton. (Mr. Lalubhai Samaldas promised to support this proposal in the Council of State.)

Cotton waste.—It was pointed out that the accepted trade term is Soft Waste or Fly. Mr. Rae pointed out that cotton waste should include all forms of waste cotton, except waste yarn. *The following definition suggested by Mr. Grantham was accepted by the sub-committee:*—"Cotton waste (that is droppings, fly, strippings, etc.) includes all the soft waste products of a mill as distinct from hard waste."

Rules.—The sub-committee suggest that when rules are being framed by Provincial Governments under this Act, the Indian Central Cotton Committee should be consulted.

(Proposed by Dr. Mann, and seconded by the Hon'ble Mr. Lalubhai Samaldas.)

PROCEEDINGS JULY 21ST, 1921.

Subject VII.

Cotton Cess.

Resolution I—Proposed by Mr. Dravid,
Seconded by Mr. Kay.

(1) That the Government of India be requested to reconsider the question of imposing a Cotton Cess to provide funds for the activities of the Central Cotton Committee and in particular to meet the cost of the Committee's proposals in respect to Technological and Agricultural Research.

Carried unanimously.

Resolution II—Proposed by Mr. Grantham,
Seconded by the Honourable Mr. Lalubhai Samaldas.

(2) That the Cotton Cess should be levied on all the Commercial Cotton Crop and not only on exports.

Carried unanimously.

Resolution III—Proposed by the Honourable Mr. Lalubhai Samaldas,
Seconded by Mr. Grantham.

(3) That a Cotton Cess should be levied of 4 as. per 400-lb. bale for a period of 5 years but that the Government of India should have power to reduce the Cess by Executive Order within that period at the request of the Indian Central Cotton Committee.

An amendment proposed by Mr. Clouston and seconded by Seth Mangal Das Girdhar Das that the Cess should be levied in the first place for 3 years was *lost*, only two members voting for it. The original resolution was then carried *nem con.*

Proposed by Mr. Mehta,
Seconded by the Honourable Mr. Lalubhai Samaldas.

(4) "That the Cotton Cess should be collected from Millowners and Exporters."

Mr. Mehta said that this was desirable as some mills used loose cotton.

Mr. Lalubhai Samaldas said that in any other method of collection Indian States would be exempted.

Proposed by Seth Mangal Das,
Seconded by Mr. Grantham.

"That the Cotton Cess should be collected at the baling presses."

Seth Mangal Das recommended this as the simpler method of collection.

Mr. Grantham considered that the quantity of loose cotton now used by mills was unimportant. He considered that collection from exporters might be difficult.

Mr. Mathura Das Vasanji explained the difficulty as regards Indian States in respect to the second proposal.

Mr. Grantham thought that if Indian States did not agree to co-operate they should not benefit by the Cess.

Mr. Mathura Das Vasanji pointed out that the quantity of Cotton involved (i.e., cotton pressed in Indian States) was by no means negligible and that we could not afford to neglect it.

Mr. Travers enquired if it was not a fact that all baled cotton was moved by rail; if so, collections could be made through the railways. It was agreed that many up-country mills receive cotton direct from presses.

Mr. Travers pointed out the necessity of including half-pressed bales in the Cess.

Mr. Kay suggested that to meet the case of Indian States collection through railway and steamship companies might be considered.

Mr. Mazhar Husain (Hyderabad Representative) supported the proposal to collect the Cess at presses but could not say if Indian States would be willing to hand over the proceeds of such a Cess to the Central Fund.

Mr. Nanavati (Baroda Representative) supported the proposal to collect the Cess at the mills and ports. In view of the difficulties that might otherwise arise with Indian States he thought this the only practicable method.

Mr. Steel considered that collection at the mills and ports was the only practicable way.

Mr. Grantham pointed out that the question must finally be decided by the Government of India. He suggested that the Central Cotton Committee should recommend to Government that if they could make suitable arrangements for Indian States the best method of collecting the Cotton Cess was at the presses; otherwise he proposed that in the case of up-country mills the Cess should be collected through the mills but that on all cotton arriving in ports (whether for mills or for export) the Cess should be collected through the railway and steamship companies.

Mr. Mathura Das Vasanji pointed out that up-country mills buy cotton from Bombay and under the last proposal they might be cessed double unless a drawback were provided for.

Collection at the mills and collection on exports through Customs House was simple and required no new machinery.

Resolution IV.—No question of principle being involved *the Committee finally resolved* that the question of machinery for the collection of the Cess was a matter for the Government of India to decide and that the record of the opinions expressed should be forwarded to the Government of India for consideration.

Resolution V.—It was resolved that cotton imported from outside India should be exempt from the Cess.

Resolution VI.—Proposed by Mr. Kay.
Seconded by Seth Mangal Das Girdhar Das.

The Central Cotton Committee consider that all funds raised by the proposed Cotton Cess should be strictly earmarked for Cotton development, and that annual balances if any should not lapse to general revenues. It is essential that the Central Cotton Committee should have control of the utilization of the funds.

Carried unanimously.

Resolution VII.—Proposed by Mr. Grantham.
Seconded by Honourable Mr. Lalubhai Samaldas.

That a Standing Finance Sub-Committee of the Indian Central Cotton Committee should be appointed to deal with the expenditure of Cotton Cess Funds.

Carried unanimously.

It was agreed that the Finance Sub-Committee should consist of four members all resident in Bombay. The following members were appointed:—

Mr. Grantham (Bombay Chamber of Commerce).
The Honourable Mr. Lallubhai Samaldas (Co-operative Representative).
Mr. DuBreul (Cotton Contracts Board).
Mr. Mathurdas Vasanji (Indian Merchants' Chamber and Bureau).

APPENDIX T-3.

PROPOSED COTTON CESS.

Forbes Building, Home Street,
Bombay, 21st December 1921.

C. B. Sayer Esq.,
Secretary, Chamber of Commerce,
Bombay.

My dear Sayer,—I forward the enclosed for the information of the Committee.

I have already written to Sir Arthur Froom and sent him a copy.—Yours sincerely,

V. A. GRANTHAM.

No. 1127.

25, Wodehouse Road, Fort,
Bombay, 15th December 1921.

V. A. Grantham Esq.,
C/o Forbes, Forbes Campbell & Co., Ld.,
Bombay.

Sir,— The Government of India are consulting Local Governments on the Indian Central Cotton Committee's proposals for a Cotton Cess and have provisionally approved our proposals and directed me to submit a *draft bill.* It is hoped that this will come before the Legislative Assembly in February next.

The question of the method of collection was left to the Government of India for decision and the provisions in the draft for collection at mills and ports are in accordance with un-official instructions from the Secretary, Revenue and Agriculture Department.

A copy of the rough draft submitted is forwarded for information.

This gives effect to the Indian Central Cotton Committee's recommendations as regards control of expenditure. If the bill is passed as drafted the Cotton Cess would be an excluded fund and not merged in the general revenues of the Government of India.

It has been suggested by some local members of the Indian Central Cotton Committee that members of the Legislative Assembly should be approached by un-official members of the Indian Central Cotton Committee with a view to securing their support for the bill. If desired I can supply spare copies of our proceedings for the purpose of explaining our object.— I have etc.,

C. J. BOCARRO,
for Secretary,
Indian Central Cotton Committee.

ROUGH DRAFT.

Cotton Cess Bill.

An Act to provide for the levy of a cess on cotton used in Indian Mills and exported from India.

Whereas it is expedient to provide for the creation of a Fund to be expended for the improvement and development of cotton growing, marketing and manufacture in India and whereas for this purpose it is

expedient to levy a cess on cotton produced in India and either exported by sea from British India or consumed in British India.

1. Short title & extent.

It is hereby enacted as follows:—

(1) This Act may be called the Indian Cotton Cess Act 1922.

(2) It extends to the whole of British India except Aden.

2. Definitions.

In this Act:—

(*a*) The 'Indian Central Cotton Committee' means the Central Cotton Committee constituted by Government of India, Revenue and Agriculture Department, Resolution No. 404-22 dated 31st March 1921 with such additions or alterations as may be made by the Governor General in Council by Resolution published in the Gazette of India.

(*b*) "Collector" means in reference to cotton exported by sea, a Customs Collector as defined in clause (*c*) of section 3 of the Sea Customs Act 1878 and in reference to cotton consumed in Mills in British India, the Collector of the District;

(*c*) 'Cotton' includes all ginned cotton whether baled or loose.

3.

(*a*) On and from the (1st April 1922) a cotton cess shall be levied and collected on all cotton produced in India and either exported from any customs port to any port beyond British India or consumed in cotton spinning mills in British India at the rate of four annas per standard bale of 400 lbs. or in the case of unbales cotton of four annas per 400 lbs. weight or at such lower rate as the Governor General in Council may, on the recommendation of the Indian Central Cotton Committee by notification in the Gazette of India prescribe;

(*b*) All cotton spinning mills situated in British India shall furnish to the Collector on his request a monthly return of cotton consumed in such form as may be prescribed. In the event of failure to furnish a return or should any obviously false return be furnished, the Collector, subject to such rules, if any, as may be made by the Governor-General-in-Council, shall assess the cess payable.

4.

(1) At the close of each month, or as soon after as may be convenient, the Collector shall pay the proceeds of the Cotton Cess, after deducting the expenses of collection (if any) to the Indian Central Cotton Committee.

(2) The said proceeds and any other monies received by the Indian Central Cotton Committee in this behalf shall be applied by the Central Cotton Committee towards meeting the cost of such measures as the Committee may consider it advisable to take for the promotion of improved methods of cultivation, marketing, handling and manufacture of cotton by means of scientific research, experimental cultivation and the collection and dissemination of knowledge or by such other means as it may be expedient to employ, for testing the value of the results obtained by such research.

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5. Keeping and Auditing of Accounts.

(1) The Indian Central Cotton Committee shall keep accounts of all monies received and expended under Section 4.

(2) Such accounts shall be examined and audited annually by auditors appointed in this behalf by the Governor-General-in-Council; and such auditors may disallow any item which has, in their opinion, been expended out of any money so received otherwise than as directed by or under this Act.

(3) If any item is disallowed, an appeal shall lie to the Governor-General-in-Council whose decision shall be final.

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6. Power to make rules.

(1) The Governor-General-in-Council may, after previous publication, make rules to carry out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for—

(*a*) the assessment, levy and payment of the Cotton Cess; and

(*b*) the form of accounts to be kept and the publication of an abstract of such accounts with the reports of the auditors thereon.

(3) All such rules shall be published in the Gazette of India.

7. Time during which sections 2 to 6 are to remain in force.

Section 2 to 6 shall remain in force until (the 31st March 1927).

Provided that the Governor General in Council may on the recommendation of the Indian Central Cotton Committee and with the previous consent of the Indian Legislature declare by notification in the Gazette of India that the said sections shall continue in force for any further period specified in the notification.

Provided also that if at any time the Indian Central Cotton Committee is dissolved, the said sections shall cease to be in force from the date of dissolution.

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8. Disposal of surplus proceeds of cotton cess.

If any proceeds of the cotton cess or any monies, so received as aforesaid, remain unexpended, when sections 2 to 6 cease to be in force, they shall notwithstanding anything contained in any law for the time being in force, vest in His Majesty.

No. 32-130.

Chamber of Commerce,
Bombay, 6th January 1922.

The Hon'ble Sir Arthur Froom, Kt.,
7, Metcalfe House, Delhi.

My dear Sir Arthur,— I understand that you have already received from the Deputy Chairman a copy of the Draft Bill providing for the levy of a cess on cotton used in Indian Mills and exported from India. As you are aware the provisions of the Bill, in its present draft form, were considered by the Committee at their meeting on the 4th instant and I was instructed to inform you that the Committee approve the Bill and will be glad if you will be good enough to take such action as you may consider desirable with a view to facilitate its progress through the Council in the event of it being introduced during the ensuing Session.—Yours sincerely,

C. B. SAYER,
Secretary.

No. 3671-A.

Revenue Departmet, Secretariat,
Bombay, 12th January 1922.

The Secretary, Chamber of Commerce,
Bombay.

Sir,— I am directed by the Government of Bombay (Transferred Departments) to forward a copy of a letter from the Government of India No. 1566-262 dated 16th December 1921 on the question of the levy of a cess on cotton to meet certain expenditure in connection with the Central Cotton Committee, and to request that Government may be favoured with the opinion of your Chamber on the proposals contained in the letter.

2. Government would be glad to know what effect in the opinion of your Chamber the proposed cess would produce on the cultivator and whether your Chamber would consider advisable the making of a direct contribution by the trade and the consuming mills to the Central Cotton Committee.—I have etc.,

SHAMRAO D. MANKAR,
Under Secretary to Government.

No. 1566-262.

Government of India,
Department of Revenue and Agriculture,
Delhi, 16th December 1921.

The Secretary to Government,
Revenue Department, Bombay.

Proposal for the imposition of a cess on cotton.

Sir,—In paragraph 202 of their report the Indian Cotton Committee recommended that a cess of eight annas per bale should be levied on all cotton consumed by the mills in India as well as on all cotton exported, in order to provide funds for the additional staff required to cope with the expansion of work on cotton recommended by the Committee. As explained in Mr. Mant's letter No. 1248, dated the 28th November 1919, and the Press Communique issued by the Government of India on the 7th April 1920, the Government of India were unable to accept the proposal at the time since the method of finance suggested by the Committee would not have been in consonance with the financial arrangements proposed under the Reforms Scheme, the main feature of which is the complete separation of Imperial and

Provincial finances. It was explained that since agriculture was to be a provincial subject expenditure on the measures advocated by the Committee would be debitable to Provincial revenues, while if it should at any time become necessary to impose a cess for revenue purposes on cotton consumed in mills or exported the proceeds, being of an all-India nature, would be finally credited to Imperial revenues. For these reasons the Government of India decided not to take any action on the Committee's proposals.

2. The question has now been re-opened by the Indian Central Cotton Committee constituted by this Department's Resolution No. 404-22, dated the 31st March 1921, who discussed the matter at their first meeting held at Bombay on the 1st July 1921, and I am to enclose a copy of a letter from the Secretary, No. 582, dated 1st August 1921, forwarding the proceedings and recommendations of the Committee on the subject. Briefly these recommendations are that a cess of four annas per bale of 400 lbs. should be imposed on all commercial cotton as well as on exports and that the method of collection should be left to the Government of India to decide. The imposition of the cess is recommended for a period of 5 years in the first instance on the condition that provision is made for its reduction before the expiry of that period should the Central Cotton Committee recommend this course. The proposal as (now) put forward by the Committee is free from some of the objections previously urged against the recommendations of the Indian Cotton Committee, inasmuch as it is contemplated that the proceeds of the cess should be devoted exclusively towards the expenses of the Central Cotton Committee and in particular towards the provision of funds to meet the cost of the Committee's proposals in respect to technological ane agricultural research on cotton, objects the expenditurd on which may be legitimately met from Central Revenues. Before considering the matter further, however, the Government of India would be glad to have the local Government's views on the following points :—

(*a*) Whether it is desirable that a cess should be imposed on cotton to meet expenditure connected with the activities of the Committee.

(*b*) If so, whether the cess should be confined to exports or should be extended to all cotton consumed in the mills, as recommended by the Committee;

(c) In the event of the local Government favouring the application of the cess to all commercial cotton, whether the best method of collection would be at the mills and ports, as suggested by the Committee, or at the baling presses, and whether in either case any difficulty is anticipated in obtaining the consent of the Darbars of Indian States to the collection of the cess from mills located within their territories.

3. In order to enable the Local Government to consider the matter in all its bearings, I am to communicate to you the following additional observations.

The Central Cotton Committee urge that the first and most important measure to be undertaken is the appointment of a technologist who must be equipped with a suitable laboratory and apparatus. The estimated initial expenditure involved in this scheme is Rs. 3½ lakhs together with a recurring grant of Re. 1 lakh. In addition the annual budget of the Cotton Committee inself, apart from research work, is estimated at about a lakh of rupees.

The Government of India see no objection to the industry itself being taxed to provide the necessary funds, especially as the question of the proposed cotton cess has been re-opened by a prominent representative of the trade and was unanimously supported by all the non-official members of the Committee. But although it is the unanimous opinion of the Central Cotton Committee that the cess should be levied on all commercial cotton the Government of India feel that there are advantages in confining it to exports only, not the least of which is the fact that its collection at the ports would be a practically simple matter involving no extra expense to Government. Another point to be borne in mind is that the average annual exports of cotton during the five years ending 1920-21 are slightly over 2 million bales of 400 lbs. each so that a cess at the rate of 4 annas per bale on exports alone would yield a revenue of about Rs. 5 lakhs which would be sufficient to meet the cost of the Technologist and his laboratory as well as the operations of the Central Cotton Committee. In favour of the Committee's proposal there is, however, the argument that if the cess is levied on all cotton including mill consumption it could be reduced to a rate sufficient to provide the funds required. The Government of India are also advised that if it should be decided to levy the cess on all cotton consumed in the mills, there should be no difficulty in arranging for its collection by means of the establishment employed for the collection of the cotton excise duty.

In favour of the proposal of the Central Cotton Committee that unspent balances should not lapse it may be said that in the event of a considerable balance accumulating, it would be feasible still further to reduce the rate of the cess if considered necessary. The Government of India propose however to retain full control over the expenditure of the cess but would avail themselves of the advice and co-operation of the Central Cotton Committee in this matter. The receipts accruing from the cess will be merged into general revenues and the expenditure incurred as from general revenues but a separate *pro forma* account will be maintained of the receipts, expenditure and balance on account of the proposed cess and carried forward from year to year.

4. I am to add that the Government of India would be glad if they could be furnished with the considered opinion of the Bombay Government on the whole subject at a very early date and in any case not later than 15th February next.—I have etc.,

J. W. HEARN,
Under Secretary to the Government of India.

No. 582.

Bombay, the 1st August 1921.

From—B. C. Burt, Esq., B.Sc. M.B.E., F.C.S.,
Secretary, Indian Central Cotton Committee,
Bombay.

To—The Secretary to the Government of India.

With reference to your telegram 877, dated 16th July 1921, I am directed by the Indian Central Cotton Committee to forward a *copy of their recommendations with regard to the proposal to levy a Cotton Cess to raise funds for the Central Cotton Committee and for Cotton Research.

2. My Committee were unanimous that a Cotton Cess should be levied on all Commercial Cotton and should not be levied on exports only. The three spinners' Representatives present supported the proposal to include cotton consumed in Indian Mills and also the Representatives of the various Chambers of Commerce. The Upper India Chamber of Commerce were unrepresented at the meeting, but the matter was informally discussed by their Cotton Sub-Committee (consisting of three spinners), when I visited Cawnpore in June and the Chamber subsequently wrote supporting the proposal.

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* Already printed. See previous Appendix T-2.

3. It was pointed out by the Representative of the Bombay Chamber of Commerce that a proposal to tax exports alone would meet with determined opposition from the trade whilst a cess on all Commercial Cotton would be strongly supported.

4. As regards the method of collecting the cess my Committee were of the opinion that this is a matter to be decided by the Government of India, and I am directed to forward a record of the discussion. You will observe that as between the two alternatives of collection, *viz.*, at the Mills and Ports or at baling presses, there was no difference of opinion on points of principle and that the discussion was largely confined to a consideration of the method which would be most convenient and bring in the most money. On the whole, the Committee was inclined fo favour collection at Mills and Ports, as being simple and more effective and not presenting any special difficulties as regards Indian States which might not agree to hand over the proceeds of a cess collected at their presses.

5. My Committee agreed that a cess of 4 annas per bale was sufficient and that it should be fixed in the first instance for five years. The clause providing that the cess might be reduced on the recommendation of the Indian Central Cotton Committee was inserted to meet the views of a small minority who thought that we could not estimate our requirements for so long a period. I am to say that my Committee consider it essential that all the proceeds of a Cotton Cess should be ear-marked for the development of the Cotton Industry and that the Central Cotton Committee should largely control the expenditure. In respect to financial control, I may, however, explain that, subject to the condition that balances should not lapse to general revenues, the resolution on the point was more particularly directed against control by any of the Local Governments.

6. The Central Cotton Committee consider that the first claim on Cotton Cess Funds should be provision for the Cotton Technologist and for the expenditure of the Central Cotton Committee and that remaining funds should be used for the furtherance of Agricultural Research on Cotton. The trade members of the Central Cotton Committee clearly appreciated the work already done by the Agricultural Departments and considered that if further facilities were provided results of great value to the grower and manufacturer alike might be

expected. Throughout the proceedings constant emphasis was laid on the fact that Indian Mills require better cottons.

7. You will observe that the Central Cotton Committee consider that the disposal of Cotton Cess Funds should largely be controlled by a standing Finance Sub-Committee. They have also appointed a standing Research Sub-Committee to examine in more detail the requirements for further investigation into problems of more than local importance. The standing Research Sub-Committee will meet again on August 13th.

8. A standing Sub-Committee consisting of all members resident in or within easy reach of Bombay has also been appointed to deal with any questions which cannot conveniently be postponed until the next meeting of the Central Cotton Committee.

No. 98-295.

Chamber of Commerce,
Bombay, 19th January 1922.

The Under Secretary to Government,
Revenue Department, Bombay.

Sir,—I have the honour to acknowledge receipt of your letter, No. 3671-A of the 12th instant, in connection with the proposed levy of a cess on cotton and in reply to state that my Committee have carefully considered the letter from the Government of India which accompanied your letter under reply, and are of opinion that it is desirable that a cess should be imposed on cotton to meet expenditure connected with the activities of the Central Cotton Committee.

2. In regard to the question whether the cess should be extended to all cotton whether exported or consumed in the mills, my Committee would point out that apart from the fact that a tax on exports would meet with opposition from exporters whereas a cess on commercial cotton would be strongly supported by the whole trade, they are in considerable doubt as to whether the yield from a cess on exported cotton, say Rs. 5 lacs annually, would be sufficient to enable the programme recommended by the Central Cotton Committee to be carried out.

My Committee understand that, while the sum of Rs. 5 lacs would be sufficient to meet the cost of the Technologist and his laboratory and the cost of up-keep of the Central Cotton Committee for the first year, it would not be sufficient to provide funds for research work on a useful scale throughout India. They are, therefore, strongly of opinion that the proposed cess should be extended to all cotton, whether exported or consumed in the mills.

3. As regards the method of collection, my Committee are of opinion that the simplest method would be for the cess to be collected at the mills in British India on all cotton used in those mills and at the Ports on all cotton exported.

4. My Committee are in complete sympathy with the resolutions of the Central Cotton Committee with reference to the ear-marking of all funds raised by the proposed cess and fully agree that annual balances, if any, should not lapse to general revenues. They understand, however, that this point will be covered by the Cotton Cess Bill that will eventually have to be introduced to the legislature.

5. My Committee have carefully considered what effect the proposed cess would produce on the cultivator and it appears to them that, while from a theoretical point of view the incidence of the cess would be evenly divided between the cultivator and the consumer, and each would have to pay ·005 annas per lb., in actual practice the whole cess would be paid by the consumer, and its effect could hardly be prejudicial to the cultivator.

6. My Committee do not quite understand your last question viz.—whether they "would consider advisable the making of a direct contribution by the trade and the consuming mills to the Central Cotton Committee." They understand that the cess would have to be collected by the Government of India and they are of opinion that all funds so raised should be ear-marked for and controlled by the Central Cotton Committee.—I have etc.,

H. ROYAL,
for Secretary.

APPENDIX U-I.

REFERENCES TO THE CHAMBER

NOTICE OF READINESS OF STEAMER TO LOAD.

Nippon Yusen Kaisha,
Bombay, 21st July, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir.—As you are well aware cotton from Bombay is generally loaded in dock and not in the "stream," especially during the Monsoon season, when it is practically impossible to do so.

In the circumstances, I shall be obliged if you will kindly let me have your views as to whether Charterers, as seems to be the usage here, are justified in insisting on a notice of readiness of a steamer intended for loading cotton, being given only after the steamer has entered the berth allotted her.

Thanking you in anticipation.—Yours faithfully,
for Nippon Yusen Kaisha, Bombay Branch,
(Sd.) ILLEGIBLE.

No. 1547-6.

Chamber of Commerce,
Bombay, 9th August, 1921.

Messrs. Nippon Yusen Kaisha,
Bombay.

Dear Sirs,—I am directed to acknowledge receipt of your letter of the 21st ultimo enquiring as to whether charterers can insist on a notice of readiness of a steamer being given only after the steamer has entered the berth allotted to her.

In reply I am to state that the point raised by you is usually provided for in the Charter Party. In the absence of any such provision, my Committee are of opinion that lay days would commence 24 hours (Sundays, Holidays, non-working and non-weather working days excepted) from the time written notice has been handed to the Charterer or his agents by the Master or his Agents, to the effect that the steamer is clear of inward cargo and ready to load, whether a berth in Dock is available or not.—Yours faithfully,

H. ROYAL,
for Secretary.

APPENDIX U-2.

BASIS FOR COLLECTION OF GENERAL AVERAGE DEPOSITS.

No. G. S.-117.

Bombay, 16th August, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—We shall be glad if you will inform us if there is any ruling on the question of which rate should be taken *i. e.* the invoice value, or the fair market value of goods on arrival, when making collections for general average deposits.—Yours faithfully,

for Shaw Wallace & Co.,
H. E. FOSTER.

No. 1627-6.

Chamber of Commerce,
Bombay, 27th August, 1921.

Messrs. Shaw Wallace & Co.,
Bombay.

Dear Sirs,—With further reference to your letter, No. G. S.-117, of the 16th instant I am directed to state that the point raised therein has been referred to my Committee and that they are of opinion that collections in respect of general average deposits should be made on the invoice value of the goods concerned.—Yours faithfully,

C. B. SAYER,
Secretary.

No. 1812-6.

Chamber of Commerce,
Bombay, 29th September, 1921.

The Secretary,
Lloyds, Royal Exchange,
London, E. C. 3.

Dear Sir,—I am directed by the Committee of the Bombay Chamber of Commerce to invite an expression of the views of your Committee on the question whether

collections in respect of general average deposits should be made on the basis of the invoice value or the fair market value, upon arrival, of the goods concerned.

2. In the above connection I am to state that my Committee are of opinion that collections of the nature in question are invariably made upon the basis of the invoice value of the goods as the invoices represent the only real evidence before the Underwriters and, further, are made out and signed at the time of shipment. By "invoice value" I am to explain that my Committee include landing charges which, however, they consider to be so negligible as not to require specific mention.

3. I am to add that my Commitee will be grateful if they may be favoured with a ruling upon the point at your earliest convenience.—Yours faithfully,

C. B. SAYER,
Secretary.

V-LS.-51769.

Lloyd's,
London, 25th October, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—I beg to acknowledge receipt of your letter of the 29th September with reference to values on which General Average Deposits should be collected and in reply would state that Deposits on account of General Average should be collected on the same values as are adopted in the apportionment of the General Average when ascertained viz:—the market value of the goods at date of arrival, subject to the deduction of such charges payable at destination as would not have been incurred had the cargo been lost at the date of the General Average Act, such as landing and sale charges, and such freight as would not have been paid if the cargo had not arrived.

If the cargo arrives damaged, it is the damaged value which should be taken. The Invoice value, is entirely disregarded in arriving at the value, upon which goods should contribute to General Average. In pre-war days when fluctuations in value were not so startling as they are now there was not much harm in collecting deposits on Invoice Values of *sound cargo*, but the use of Invoice

Values for this purpose at the present day should certainly be discouraged as it may lead to most unsatisfactory results.

Take the following example:—

Five shipments of different goods by the same vessel are all invoiced at say £100 each. One of the commodities in question has depreciated owing to market fluctuations by 50% by the time the goods arrive at destination, whereas the other commodities remain of the same value as at the time they were invoiced. The goods which are depreciated in value are only liable for half the General Average Contribution which the other commodities would be liable for, whereas if they all paid deposit on the invoice value they would pay equal deposits. It is only necessary to take large figures instead of the small figures given above for it to be quite evident that it would be a very great hardship to the Consignees of the depreciated goods or their Underwriters if a deposit were collected on the Invoice Value.

Where some of the commodities have appreciated in value, the collection of deposits on the Invoice Values might lead to the security which is afforded to the parties who have suffered General Average losses or incurred General Average expenditure being insufficient.

The adoption of invoice values for the purpose of collecting deposits can only be defended when there is no other way of arriving at a provisional value for this purpose and should not be resorted to if the correct market values can be approximately ascertained.—Yours faithfully,

J. S. VAN DEN BERGH,
for the Secretary.

No. 2174-6.

Chamber of Commerce,
Bombay, 3rd December, 1921.

The Secretary, Lloyd's, Royal Exchange,
London, E. C. 3.

Dear Sir,—I am directed to acknowledge receipt of your letter, No. V-LS.-51769, dated the 25th October 1921 and to thank you for furnishing my Committee so promptly with the information therein contained.—Yours faithfully,

C. B. SAYER,
Secretary.

No. 2167-6

Chamber of Commerce,
Bombay, 3rd December, 1921.

Messrs. Shaw Wallace & Co.,
Bombay.

Dear Sir,—With reference to the correspondence resting with my letter, No. 1627-6, dated the 27th August 1921, I am directed to forward herewith for your information the enclosed copy of a letter which my Committee have received from Lloyds in reply to their request for a ruling upon the point at issue.

Under the circumstances my Committee have decided to adopt, as a Chamber ruling, the observations contained in the letter in question and I am to express regret if any inconvenience has been caused to you through the adoption of their *ad interim* ruling in the same connection.—Yours faithfully,

C. B. SAYER,
Secretary.

APPENDIX U-3.

NOTICE TO CONSIGNEE OF ARRIVAL OF CARGO.

American Consular Service,
Bombay, June 28, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sirs,—I should be glad if you would inform me what is the established custom of the Port of Bombay with respect to notification of consignees by ship's agents that cargo has arrived for them.

(1) upon the arrival of the ship

(2) on receipt by the ship's agent of notice from the Port docks that cargo landed from one of their ships is lying unclaimed.

I understand that on the arrival of a ship notice to consignees by general advertisement only is customary but I should be glad to have this formally confirmed by

you. But I am particularly desirous to know whether when the agent of a ship has notice from the Port Trust that cargo from one of his ships is lying unclaimed and when this agent is in possession of the name and address of the consignee there is according to the custom of the Port any responsibility resting upon the ship's agent to give such notice, or whether such notice if given (as I know it sometimes is) is purely an act of courtesy on the part of the ship's agent.—Very respectfully yours,

CHARLES M. HATHAWAY,
American Consul.

No. 1368-215.

Chamber of Commerce,
Bombay, 9th July, 1921.

The American Consul,
Bombay.

Dear Sir,— I am directed to acknowledge receipt of your letter of the 28th ultimo, with regard to the custom of the Port of Bombay in connection with the notification to be given to consignees by ships' Agents upon the arrival of steamers.

In reply I am to state that my Committee understand that the following procedure is adopted in the above respect by the majority of shipping Companies in Bombay:—

(1) Upon the arrival of a steamer, the consignees are notified through the medium of the local papers to the effect that the steamer has arrived and that Bills of Lading should be presented for delivery orders.

(2) Should delivery orders not be applied for within about ten days after the arrival of the steamer and consignees' names appear in the Manifest an intimation is sent that the goods have arrived. Such intimation, however, is merely an act of courtesy on the part of the Shipping Company.

(3) No further action can be taken until advice is received from the Port Trust Authorities of packages lying uncleared. Upon receipt of such advice, those consignees whose names may be known from the marks on the packages are requested to send their documents and obtain a delivery order.

(4) Finally, after some time has elapsed and the names of consignees are still not known, advice of uncleared cargo is sent to the port of shipment in order that the Shippers of the goods may be communicated with.

I am, however, to add that it is not obligatory on the shipping Companies to adopt any of the above methods. Shippers are supposed to advise consignees of the despatch of their goods and the latter should make enquiries of the Agents of the ship in which tbe goods are despatched as to when the vessel may be expected to arrive. The notices issued by the Agents in Bombay should only be regarded as acts of courtesy.—Yours faithfully,

C. B. SAYER,
Secretary.

APPENDIX U-4.

PAYMENT OF CLAIMS FOR SHORTAGE BY STEAMSHIP COMPANIES (BASIS)

Bombay, 7th April, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—In view of the enhanced tariff, I beg to request you kindly to let me know the normal basis of settling consignees' claims for shortage &c, of their goods.

In my opinion a good basis of meeting same would be to take into account the C. I. F. Prices plus actual duty paid according to present Tariff plus 2½% to cover other charges.

Thanking you in anticipation of an early reply,—Yours faithfully,

For Nippon Yusen Kaisha, Bombay Branch.
(Sd.) ILLEGIBLE,
Manager.

No. 954-6.

Chamber of Commerce,
Bombay, 10th May 1921.

Messrs. Nippon Yusen Kaisha,
Bombay.

Dear Sirs,—In reply to your letter of the 7th instant, I am desired to inform you that the basis on which steamship companies settle consignees' claims for shortages differs with different lines, but that the usual custom is to allow C. I. F. price, plus duty, plus 5 per cent.—Yours faithfully,

H. ROYAL,
for Secretary.

Bombay, 6th April 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sirs,—With reference to the Chamber's recent ruling regarding payment of claims by Steamers Agents we understand that the rate of Exchange should be the rate ruling on day of steamer's arrival. We however should be glad if you will inform us which rate is to be taken into consideration *i. e.* whether the rate should be the Banks Buying rate or the Banks Selling (B. C.) rate.—Yours faithfully,

For Sizing Materials Co., Ltd.,
WALTER GELDART.

No. 832-6.

Chamber of Commerce,
Bombay, 21st April, 1921.

The Sizing Materials Co., Ltd.,
Bombay.

Dear Sirs,—In reply to your letter of the 6th instant, I am directed to inform you that, in the opinion of my Committee, the rate of Exchange at which consignees' claims for shortages should be paid is the Bank's Selling Demand rate on the date of the arrival of the Steamer concerned.—Yours faithfully,

H. ROYAL,
for Secretary.

APPENDIX U-5.

INTERPRETATION OF TERM "No. 4s" YARN.

No. 7803-21.

Old Secretariat, Apollo Street,
Bombay 28th April, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,— We will be obliged if you will inform us whether cotton yarn which is sold under a certain number is thereby understood to have that number of counts in it. For instance that number 6s necessarily have six counts and so on.

This information is required because some clients of ours purchased in Bombay some yarn of a particular number and it was found that the number of counts was considerably less than the particular number and the sellers seek to suggest that the number under which their yarn is sold does not imply that the yarn contained that number of counts and that it is well known in the trade that it is so.

The yarn in question was sold as "No. 4s." but the counts were found to be about 2·87 and the sellers appear to contend that "No 4s." is the name of the yarn and does not imply 4 counts.— Yours faithfully,

LITTLE & Co.

No. 890-162.

Chamber of Commerce,
Bombay, 30th April, 1921.

Messrs. Little & Co.,
Apollo Street,
Bombay.

Dear Sirs,— With reference to your letter No. 7803-21 of the 28th instant, I shall be obliged if you will forward for the inspection of my Committee either the original or a certified true copy of the indent under which the goods in dispute were ordered.—Yours faithfully,

C. B. SAYER,
Secretary.

No. 8282-21.

Old Secretariat,
Apollo Street,
Bombay 7th May, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,— Referring to your letter of the 30th ultimo we have the honour to enclose a certified copy of the contract in question. As the names of the parties are disclosed we have to request you to treat it as confidential.

You will observe that the yarn is described as "4s" in the "counts" column but it was found to be below 3 and we desire to know whether a purchaser under such a contract is entitled to receive yarn of 4 counts.— We have etc.,

LITTLE & Co.

No. 21.

Messrs.....
Bombay.

Dear Sir,— We confirm having this day sold to you through Broker ..... the following goods manufactured at our ..... Mills, Limited at the prices specified and subject to the following conditions:—

1. That delivery of goods that may be ready on the date of this contract shall be taken by you within 8 days, or in the case of forward goods also within 8 days from such time as notice shall have been given that such goods in whole or part are ready for delivery, failing which it is hereby agreed that we shall have the power to continue to hold the said goods on your account and risk, or in our sole discretion and with or without notice to you to re-sell the said goods by public auction or private sale, and such sale shall be on your account and risk.

2. That payment shall be made by you in cash before taking delivery.

3. That you shall pay two annas per cent, per month on the value of the goods of which you shall not have taken delivery at the times mentioned in clause 1 as godown rent and insurance from and after the expiration of the period mentioned in clause 1 until the date of their final delivery.

4. That interest shall be reckoned to you at the rate of nine per cent, per annum on the value of the goods of which you shall not have taken delivery in accordance with clause 1 hereof from the various due dates on which delivery should have been taken as aforesaid till the date when delivery is taken.

5. That no claim shall be admissible after delivery of the goods whether the same be for inferiority of quality or short weight, or damage or deterioration or on any other ground whatever; and should the goods be damaged or destroyed while in our charge after the dates on which the same should have been taken delivery of you will pay us for such goods as if they had been delivered in good order and condition.

6. That in the event of any accident happening to the Mills or if the Mills be sold or transferred to another party or if for any cause whatsoever we are unable to complete this contract, it shall be competent or lawful for us at our discretion to cancel the uncompleted portion of the contract or extend the time of delivery for a reasonable period without in either event any claims being allowed for damages, allowance or otherwise.

Particulars of Goods Sold under the above Contract:—
YARNS.

Bales.	Count.	Packages. Bdl.	Packages. lbs.	Quality.	Ticket.	Tie.	Rate Per lb. Ex. Razar: as	Delivery.
50	4s.	40	10		February usual February and November.		12¼	1919 Octr. 25 25

Mark on the bales should be of .....Mills Ltd.

Bales fifty only.

Bombay, 15th. October 1919.
Through Commission Agents,
Messrs. ..... & Co.,

Stamp
1 As. 1 As.
Per pro,
..... & Co.
Seller.

.....
Agent's.

No. 991-162.

Chamber of Commerce,
Bombay, 13th May 1921.

Messrs. Little & Co.,
Apollo Street, Bombay.

Dear Sirs,— I am directed to acknowledge receipt of your letter No. 7803-21 of the 28th ultimo and in reply to state that, in the opinion of my Committee, Yarn sold as Count 4s must be yarn containing that number of counts.— Yours faithfully,

H. ROYAL,
for Secretary.

APPENDIX U-6.

THE RATE OF PAYMENT UNDER PIECEGOODS CONTRACTS.

Bombay, 13th September, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—In June of last year we imported 3 cases of Swiss Embroidered Goods for account of a Bazaar dealer against our indent as per copy enclosed,* The dealer returned one case in August of the same year but the other two cases, remaining unpaid for, were subsequently sold by us per auction after the usual notice to the dealer. We have now filed a suit for the difference in the High Court and the case will be heard on the 20th inst.

The dealer has now raised the defence that he is entitled to pay at the exchange ruling on the due date (31st August 1920).

We are informed by our Solicitors that the practical impossibility of fixing exchange, without making a remittance may not be sufficient in the eyes of the law, to refute this plea. We are therefore pleading "Trade Custom" and shall be much obliged if you can confirm that there has been a custom, when no special arrangement existed, of fixing exchange on the date of payment and that it is impracticable to secure exchange for a date preceding the date of payment.—We are etc.,

S. HANHART,
Per pro. E. Spinner & Co.

* Not Printed.

No. 1784-6.

Chamber of Commerce,
Bombay, 26th September, 1921.

Messrs. E. Spinner & Co.,
Bombay.

Dear Sirs,—I am directed to acknowledge receipt of your letter, dated the 13th instant, in which my Committee are asked to state whether there has been a custom of the trade in Bombay, when no special arrangement existed, of making payment under piecegoods contracts at the rate of exchange ruling on the date of payment and, further, whether it is impracticable to secure exchange for a date preceding the date of payment.

2. In reply I am to state that, in the opinion of my Committee, the custom of the trade in the foregoing regard is based upon the provisions of the form of piecegoods contract in general use in Bombay and provides that payment, in such cases, shall be made in rupees, subject to any special arrangement, at the rate of exchange current at the time of payment.—Yours faithfully,

C. B. SAYER,
Secretary.

Bombay, 27th September, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—We have lately been approached by some of our dealers with offers to pay for goods, provided we grant them the rate of exchange which was ruling on the due date (which—it is unnecessary to add—was a higher than the ruling rate).

It has been a custom in our office, always to grant dealers the rate of exchange ruling on the day of payment, and we believe that the same system is prevailing in the majority of offices, as also in banks, unless the contract clearly stipulates, that exchange should be fixed by the office on due date.

It seems to us that, unless an import firm make special arrangements with their bankers, it cannot possibly fix the exchange rate until and unless payment is made by the dealer or (in case exchange is fixed for a forward date) unless the dealer promises to pay within a clearly defined time and keeps his promise.

We believe that ours is the correct view, but it appears that dealers are very often misguided by their legal advisers. We believe much useless litigation could be avoided if the Chamber will give their opinion on this important question, and we shall, therefore, thank you if you will submit this letter to the Chairman, for consideration.—Yours faithfully,

SULZER BRUDERER & CO.

No. 1809-6.

Chamber of Commerce,
Bombay, 29th September, 1921.

Messrs. Sulzer, Bruderer & Co.,
Wheeler's Building, 73, Hornby Road,
Bombay.

Dear Sirs,—I beg to acknowledge receipt of your letter of the 27th instant in which the opinion of my Committee is requested as to the custom of the trade in connection with the rate of exchange at which payment under piecegoods contracts is made.

2. In reply I am to state that, in the opinion of my Committee, the custom of the trade in the foregoing regard is based upon the provisions of the form of piecegoods contract in general use in Bombay and provides that payment in such cases, shall be made in rupees, subject to any special arrangement, at the rate of exchange current at the time of payment.

3. I am to add that any modifications of the foregoing custom are presumably being made by private arrangement between the parties concerned.—Yours faithfully,

C. B. SAYER,
Secretary.

APPENDIX V-I.

THE INDIAN INSTITUTE OF SCIENCE, BANGALORE.

No. 761-E.

Educational Department,
Secretariat, Fort,
Bombay, 5th November 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed by the Government of Bombay (Transferred Departments) to forward herewith a copy

of a letter, dated the 29th October 1921, received from Dr. Alfred Hay, Officiating Director, Indian Institute of Science, Bangalore, and to request that you will be so good as to communicate to him, at a very early date, the name of the Chamber's representative who should be examined as a witness, any further information required in this connection being obtained from him direct.—I have etc.,

E. J. UNWALA,
for Dy. Secretary to Government.

No. 8052.

Indian Institute of Science,
Bangalore, 29th October 1921.

The Private Secretary
to His Excellency the Governor of Bombay,
Bombay.

Sir,—I have the honour to inform you that I have received a telegram from the Government of India informing me that the Bombay Government have been requested to render any assistance necessary to the Committee of Enquiry who are proceeding to the Indian Institute of Science, Bangalore. May I request you if possible to make arrangements for a representative of the Bombay Chamber of Commerce to be examined as witness by the Committee of Enquiry during their brief stay in Bombay? Kindly address your reply to the Taj Mahal Hotel marking it "To await arrival".—I have etc.,

ALFRED HAY,
Officiating Director.

No. 2009-266.

Chamber of Commerce,
Bombay, 7th November 1921.

The Dy. Secretary to Government,
Educational Department,
Secretariat, Fort,

Sir,—With reference to your telephonic message on Saturday, the 5th instant, and your letter No. 761-E. of the same date, requesting this Chamber to nominate a representative to give evidence before the Committee of Enquiry in connection with the Indian Institute of Science, Bangalore, I am directed to inform you that my

Committee have intimated to the President of the above Committee of Enquiry that owing to the shortness of notice they are unable to nominate a representative to give evidence.—I have etc.,

C. B. SAYER,
Secretary.

Indian Institute of Science,
Banglore, 7th November, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—The Government of India is appointing a Committee of Enquiry into the past, the present and the future of the Indian Institute of Science at Bangalore and I have the honour of enclosing herewith a copy of the terms of reference to the Committee.

The Committee recognises the desirability of eliciting the fullest possible information concerning the position of the Institute and the manner in which its resources can be utilised to the greatest advantage.

I am to say that the Committee will welcome any statement from you bearing upon the terms of reference and will give your remarks the most careful attention. Since the Institute is a residential one and the terms of reference to the Committee are very comprehensive it would appear that the social aspects of student life in the Institute might also be dealt with.

It would be a great convenience if you could favour me with your views before November 20th.—I have etc.,

ALFRED HAY,
Secretary to the Committee of Enquiry.

INDIAN INSTITUTE OF SCIENCE, BANGALORE.

Terms of Reference to the Committee of Enquiry.

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1. To examine the working of the Institute during the past ten years and to report on its present state.

2. To consider what changes, if any, are necessary in the Constitution and Scheme of Management of the Institute in order to secure its government in the best possible way and to make recommendations accordingly. In

particular, to consider and make recommendations regarding the body or bodies in which the management of the Institute should vest, the powers which should be given to such body or bodies, including their relations with the Director and the professional staff, and the composition of such body or bodies.

3. To consider and make recommendations regarding the extent to which the principal contributors to the endowment, including the Government of India should exercise control over the management and working of the Institute. In particular, to indicate whether the principal contributors should expressly be given the right and, if so, within what limits, to obtain the assistance of the Institute in the matter of the investigation of particular problems, the acceptance of students, or any other matter.

4. To consider and make recommendations as to what should be the future policy and lines of development of the Institute; in doing so, to estimate the present position of post-graduate and research work in pure and applied science in India, and to indicate the place which the Institute will occupy with reference to this. In particular, to indicate whether the Institute should confine itself to the investigation of such problems only as bear on the application of science to industries, or whether its scope should include investigation in pure science.

5. To consider and make recommendations as to whether in view of the immediate and prospective increase in the income of the Institute, it should undertake research, training in research, or training generally in any additional branches of science.

6. To consider and make recommendations regarding the means of co-ordinating the work of the Institute with that of similar institutions in India and abroad.

7. To consider and make recommendations regarding the method of selecting and appointing the Director of the Institute and other members of the professional staff, the qualifications which should be required of candidates for those appointments and the terms which should attach to such appointments including pay, leave and allowances during absence.

8. To consider and make recommendations as to the relations which should subsist between outside bodies or persons including Governments and Administrations, and the professional staff, in respect of the professional services of the latter. In particular, to consider whether

the professional staff should be permitted to accept private practice; in the latter case, to propose rules to regulate the receipt of fees and the method of utilising such fees; also the conditions which should govern the publication of the results of research undertaken for outside bodies or persons, with reference to Patent rights and Copyright.

9. To consider and make recommendations regarding the subordinate staff necessary to assist the Director in the discharge of his duties.

10. To consider and make recommendations regarding the admission and training of students;—in particular, to consider the best means to train Indian students with a view to enabling them to qualify themselves for appointment on the professional staff.

11. To consider and make recommendations regarding any other matter which the Committee may consider to be of fundamental importance for the welfare of the Institute.

4th November, 1921.

APPENDIX V-2.

TRANSFER OF ADEN TO THE COLONIAL OFFICE.

Extract from the Proceedings of the meeting of the Council of State held at Delhi on Saturday, the 26th March 1921.

QUESTIONS AND ANSWERS.

Transfer of Aden to the Colonial Office.

222. The Hon'ble Mr. Bhurgri: Will Government be pleased to state:—

(*a*) if the question of the transfer of Aden to the Colonial Office is under their consideration;

(*b*) if so, do they propose to give an opportunity to the Council of State and the Assembly to express their opinions before Government come to any decision in the matter; if so, when?

(*c*) whether they will lay on the table the correspondence between the Secretary of State and the Government of India on the question;

(*d*) if not, will they make a statement showing on what considerations the proposed transfer is asked for?

The Hon'ble Mr. Denys Bray:

(*a*) Yes.

(*b*) Government would have welcomed an expression of the opinions of the Council of State and Legislative Assembly on the proposed transfer of Aden to the Colonial Office. I would remind the Hon'ble Member that the proposal has long been a matter of common knowledge—it was indeed endorsed unanimously by the Aden Chamber of Commerce as far back as the 19th January, 1920—and it has been open to any Honourable Member to raise a discussion on it by means of a Resolution at any stage in the Sessions. At the same time, I hope that the statement I am about to make will fully meet the Honourable Members.

(*c*) The whole question, including the future incidence of expenditure, is still under discussion and the correspondence cannot be laid on the table at present.

(*d*) It is essential to remember that the station of Aden is only one element in the problem. Aden is not merely a town, in the development of which Indians have played a great part and to which they contribute about a fourth of the population. It is a vital strategical point that requires a large garrison, and an important political centre, which involves complex relations with the Arab tribes in the Aden Protectorate and with the Foreign Powers with interests in the Red Sea. These Military and Political arrangements entail heavy expenditure, and though the affairs of the Protectorate are shaped by international policy with which India has no direct concern, the administration of Aden has been a serious burden on the Indian tax-payer.

The proposal to shift the responsibility for Aden from India was first mooted in 1861 and has been often raised since. Under the stress of the Great War the old system finally broke down. The military operations were placed under the War Office; the political control was transferred to the Foreign Office; only the parochial administration of the station of Aden itself was left with the Government of India.

Such a division of control, justifiable as a war makeshift, involves a serious sacrifice of both efficiency and economy; and the present proposal is to relieve India of the whole of her responsibilities in this little corner of Southern Arabia. The Government of India hope to secure under it a substantial relief for the Indian taxpayer, and to further the interests of the inhabitants of the Aden Settlement itself. In their resolution of January 1921 the Aden Chamber of Commerce expressed "its earnest desire that Aden should be placed under the British Colonial Office.....which it is believed would be conducive to the expansion of Aden trade..... and to the welfare of its inhabitants." True, unanimous though this Resolution was, some of the Indians who then associated themselves with it are now protesting against the transfer, apprehensive apparently of some impairment of their interests under it. But the Government of India have throughout made it an absolute condition of their assent to the transfer that it shall in no way impair their interests and the status of Indians, who shall receive precisely the same treatment as that accorded to the other subjects of His Majesty. This stipulation His Majesty's Government have accepted unreservedly.

Telegram, dated the 20th September 1921.

From—The Hon'ble Sir Arthur Froom, Kt. Simla.

To—Chamber of Commerce, Bombay.

Please ascertain and telegraph me views of Committee regarding transfer of Aden to Colonial Office or its retention under Government of India. Your reply should reach me not later than twenty-fourth.

Telegram No. 1767-250 dated the 23rd September 1921.

From—Chamber of Commerce, Bombay.

To—The Hon'ble Sir Arthur Froom, Kt. Simla.

Your telegram re-transfer Aden. Committee are in favour of transfer to Colonial Office both in interest of British firms and in view future political situation. At same time consider interests and status of Indians should be safeguarded as proposed in last paragraph Bray's answer in Council of State 26th March.

Telegram, dated the 25th September 1921.

From—Chairman, Chamber of Commerce.

To—The Hon'ble Sir Arthur Froom, Kt. Simla.

Aden, reference previous telegram responsible opinion of Bombay considers it most important press strongly for delay in order to discuss various problems involved. Great uncertainty exists as to strategic and political issues involved in view of doubts regarding future of Egypt and general policy in Arabia and Gulf. Also terms proposed involve heavy financial liabilities on Indian budget without any obvious return. Remember also Indian trading communities are by no means in favour.

APPENDIX V-3.

PASSPORTS TO THE PERSIAN GULF.

Allahabad Bank Buildings,
Apollo Street,
Bombay, 24th June, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—We think you might like to have copies of the enclosed correspondence with reference to the granting of Passports to those proceeding to the Persian Gulf, as it seems to us the delay incurred should be avoidable. The enclosures are:

1. Our letter to the Passport Officer to the Government of Bombay dated 22nd instant, and
2. His reply No. P.C. 2199 of the 23rd instant.—

Yours faithfully,

A. F. FERGUSON & CO.,

Bombay, 22nd June, 1921.

The Passport Officer,
To the Government of Bombay,
Secretariat.

Sir,—We are in the habit of periodically sending clerks up to Mahommerah and Basra to carry on our work as Chartered Accountants in the Persian Gulf

under our European Principals there. Some time ago we found it took a very considerable time to get the necessary permission from Basra enabling our clerks to land there, and, as you are aware, you were not willing to issue any Passports until such permission was obtained. The last few clerks, whom we have sent up to the Persian Gulf have been sent to Mohammerah, because we found that the necessary permission to land was obtained from there much more quickly. On the other hand this practice had a great disadvantage in that we have to send our men up to Mohammerah by a slow boat taking perhaps two to three weeks instead of by a fast boat to Basra in five to six days. The Basra boat does not stop at Mohammerah.

We are writing to ask you to kindly inform us whether it is still necessary, before you issue Passports for Basra, for you to obtain permission from the Authorities at Basra for the person who requires a Passport to land there, and if this is still necessary, please let us know how long it now takes for you to obtain such permission. —We have etc.,

A. F. FERGUSON & CO.,

No. P.C. 2199.

Passport Office,
Secretariat, Mayo Road,
Bombay, 23rd June, 1921.

Messrs. A. F. Ferguson & Co.,
Apollo Street.

Gentlemen,—With reference to your letter dated the 22nd June 1921, I have the honour to inform you that the previous permission of the authorities at Basra is still necessary to enable applicants for passports for Basra to proceed to that place. A reference by telegram to the Authorities at Basra ordinarily involves a delay of 10 to 15 days before a reply is received.—I have etc.,

J. A. ARRATOON,
Passport Officer to the
Government of Bombay.

No. 1306-211.

Chamber of Commerce,
Bombay, 30th June, 1921.

Messrs. A. F. Ferguson & Co.,
Allahabad Bank Buildings,
Apollo Street, Fort.

Dear Sirs,—I am directed to acknowledge receipt of your letter of the 24th instant, and its accompaniments, and to thank you for affording my Committee the opportunity of perusing the correspondence referred to therein.—Yours faithfully,

C. B. SAYER,
Secretary.

Bombay, 30th June, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—We are obliged for your letter No. 1306-211 of 1921 of to-day's date, but we should be glad if you would kindly inform us whether your Committee would be willing to take action with a view to facilitate the granting of Passports to Indian clerks and others, whom Members may desire to send up to the Persian Gulf in connection with their business there.—Yours faithfully,

A. F. FERGUSON & CO.,

No. 1401-211.

Chamber of Commerce,
Bombay, 15th July, 1921.

The Passport Officer to the Government of Bombay,
Bombay.

Sir,—I am directed to inform you that the attention of my Committee has been drawn to the regulations at present in force regarding the issue of psssports to representatives of firms proceeding to Basra on their firm's business.

In the above connection my Committee understand that the previous permission of the authorities at Basra is still required before a passport for that place can be obtained from your office and that a reference by telegram to the authorities in question ordinarily involves a delay of at least ten days before a reply is received.

The procedure as above indicated, is a source of serious inconvenience to the firms concerned and I am accordingly to enquire whether it is not possible for Government to arrive at an arrangement with the Military Authorities at Basra whereby the necessity of telegraphing for landing permits in the case of representatives of certain selected firms may be waived. —I have etc.,

C. B. SAYER,
Secretary.

No. P.C. 1994.
Passport Office, Secretariat, Fort,
Bombay, 18th July, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—With reference to your letter No. 1401-211, dated the 15th July 1921, I have the honour to inform you that His Excellency the High Commissioner for Mesopotamia, who was recently addressed in the matter, has left it to the discretion of this Government to grant passports to representatives of firms in India to visit Mesopotamia on business, without previous reference to the authorities there.—I have etc.,

J. A. ARRATOON,
Passport Officer to the
Government of Bombay.

No. 1492-211.
Chamber of Commerce,
Bombay, 29th July 1921.

Messrs. A. F. Ferguson & Co.,
Bombay.

Dear Sirs,—With reference to the correspondence resting with your letter of the 30th ultimo, on the subject of the regulations at present in force regarding the issue of passports to representatives of firms proceeding to Basra on their firm's business, I am directed to forward herewith for your information copy of a letter, No. P.C. 1994, dated the 18th July 1921, which my Committee have received from the Passport Officer in reply to their representation on the subject.—Yours faithfully,

C. B. SAYER,
Secretary.

No. 1498-211.

Copy forwarded, with compliments, to
Messrs. Mackinnon Mackenzie & Co.
" Shaw Wallace & Co.
" Turner Morrison & Co., Ld.
for their information.

C. B. SAYER,
Secretary.

Bombay, 29th July, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—We thank you for your letter No. 1492-211 of 1921 of to-day's date, sending us a copy of the letter received from the Passport Officer to the Government of Bombay giving information that representatives of firms in India may now receive Passports at the discretion of the Bombay Government without previous reference to the authorities in Mesopotamia. We desire to thank the Committee for having kindly taken up this matter.—Yours faithfully,

A. F. FERGUSON & CO.,

APPENDIX W.

PETROL SHORTAGE IN BOMBAY.

Motor Traders' Association,
(Western India Section.)
Bombay, 6th May, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,— We have been directed by our Committee to forward you a copy of resolution passed at a joint meeting with the Western India Automobile Association Committee and now beg to enclose same.—Yours faithfully,

Motor Traders' Association.
FORD RHODES & PARKS,
Secretaries.

Petrol Shortage.

At a joint meeting of the Committee of the Western India Automobile Association and the Motor Traders' Association (Western India) held at 121, Esplanade Road, Bombay, on April 28th 1921, for the purposes of considering what action should be taken with reference to the continued insufficiency of the supply of petrol in this Presidency, it was unanimously resolved as follows:—

1. That with reference to the continued shortage of petrol in Bombay Presidency, the Government of Bombay be advised that this meeting is strongly of opinion:

(*a*) that there is no adequate reason why the Bombay Presidency should not obtain all the petrol normally required;

(*b*) that Burma produces more petrol than is needed by India and Burma;

(*c*) that petrol is indispensable to the present and future of motor transport, and that, as motor transport is of tremendous importance to India, the petrol requirements of India and Burma should be fully met before export to other countries is allowed;

(*d*) that the shortage of petrol causes not only serious inconvenience to the public, but substantial loss of revenue to Government inasmuch as an insufficient supply of petrol (which pays a very heavy duty) necessarily implies reduced importation of cars, tyres parts and accessories which are now subject to 20 per cent import duty;

(*e*) that the petrol controlling companies should not be allowed self-interestedly to exploit the natural wealth of India, to the detriment of the people of India;

(*f*) that the failure of the petrol-controlling Companies to bring sufficient supplies to Bombay is due, not to lack of transport and storage facilities, but to lack of effort and other reasons not made public;

(*g*) that, from information at the disposal of this meeting, 105,000 gallons per week would meet the normal requirements of Bombay City and Suburbs and that, as this quantity could be transported in one train sufficient transport could be arranged for without difficulty;

(*h*) that either the Government of Bombay or the Government of India is in a position to make provision for sufficient petrol to be brought from Burma primarily to Calcutta or Madras or Karachi, and then by rail to Bombay, until such time as Bombay's bulk storage is ready to satisfy this Presidency's requirements.

2. That the Government of Bombay be requested to make immediately serious efforts to arrange that adequate supplies of petrol be brought to Bombay City and Presidency and, if necessary, to invoke the assistance of the Government of India.

3. That copies of this resolution be forwarded to the Chamber of Commerce.

No. 971-99.

Chamber of Commerce,
Bombay, 12th May, 1921.

The Secretary, Bombay Port Trust,
Bombay.

Sir,— I have the honour to inform you that my Committee have under consideration the question of the shortage of petrol in Bombay and in this connection I am desired to enquire as to how matters stand in regard to the Pir Pao bulk installation and, more particularly, as to when the Trustees expect the installation to be brought into use.— I have etc.,

H. ROYAL,
for Secretary.

No. 1041-99.

Chamber of Commerce,
Bombay, 19th May, 1921.

The Secretaries, Motor Traders' Association,
121, Esplanade Road, Bombay.

Dear Sirs,— I am directed to acknowledge receipt of your letter of the 6th instant giving cover to a copy of the resolutions passed at a joint meeting of your Committee with the Committee of the Western India Automobile Association in connection with the scarcity of petrol in this Presidency.

In reply I am to state that my Committee, after consultation with the petrol supply Companies, have decided to take no action at present but to await the result of the steps recently taken by the Companies to increase the supplies of petrol available for this city.—Yours faithfully,

H. ROYAL,
for Secretary.

No. B-1642

Bombay Port Trust,
Bombay, 27th May, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Discharge of bulk petrol at Pir Pao.

Dear Sir,—With reference to your letter No. 971-99 of the 12th instant, I am directed to inform you that the question is receiving the closest attention and every effort is being made to minimise further delay in bringing the Pir Pao scheme into operation.

Your Committee are doubtless aware of the many difficulties which the Port Trust have had to contend with. In March last it was confidently hoped that it would be possible, as a temporary measure pending completion of the pier head, to moor a petrol ship sufficiently near the pier to discharge through a flexible pipe laid across barges and connected with the pipe line on the pier. As you are aware, an attempt to carry this out was made with the s. s. "Aungban" on the 5th April last. This attempt was unsuccessful owing to the fact that the tides in the vicinity of the pier head do not set fair, i.e. the ebb is not parallel to the flow, and consequently an abnormal strain is thrown on the mooring tackle of a ship moored fore and aft in the tide-way. This strain is further increased by the strong out-rush of water on the flood-tide through the arches of the pier head. These circumstances, combined with the poor nature of the ground-holding for anchors, caused the ship to drag her moorings.

Under the Government Petroleum Rules petrol tankers when discharging are not allowed to have any lights or fires on board and consequently they cannot have steam on their engines. The Chief Inspector of Explosives, to whom the question has been specially referred, refuses to agree to this rule being relaxed under any circumstances. Under these circumstances in the event of her breaking away from her moorings the ship might easily meet with serious damage or become a total wreck before assistance could be rendered.

After the failure of the attempt to moor the s. s. "Aungban" a meeting was held at Pir Pao to which the leading shipping experts were invited. The consensus of their opinion was that the risks involved in mooring a petrol ship under present circumstances sufficiently near the pier head to discharge are too formidable to be undertaken. As a result of this enquiry and subsequent investigations the design of the pier head has been modified and it is now proposed to fill up the arches and construct the pier head of solid block-work throughout. This work will be taken in hand immediately the monsoon is over, and it is expected that the eastern half of the pier head will be completed by May 1922 so as to allow of a petrol ship up to 360 feet in length being berthed alongside. This is the earliest date by which any definite hope can be held out of discharging a cargo of bulk petrol, but in the meantime the Trustees are considering every measure which may be possible to provide safe moorings for small motor-driven tankers and they will make an attempt to discharge a ship of this type if, as a result of their experiments, they are able to satisfy themselves that this can be done without undue risk.

Meanwhile the Trustees are informed that the Oil Companies have arranged for supplies of petrol to be provided by rail from Madras in tins and cases under special sanction from the Chief Inspector of Explosives in India and the Railway Board. The Trustees are also making urgent enquiries with a view to constructing a number of petrol tank wagons to assist in maintaining a sufficient supply by rail to meet the needs of Bombay until the Pir Pao scheme can be brought into operation.—Yours faithfully,

W. R. SHARPE,
Secretary.

APPENDIX X-1.

EARL HAIG'S OFFICERS' ASSOCIATION.

FORMATION OF BRANCH IN INDIA

Imperial Secretariat,
Delhi, the 12th March, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—At a meeting held at Delhi on March 10th presided over by His Excellency the Commander-in-Chief, it was decided to form a branch of Field Marshal Earl Haig's Officers' Association in India.

His Excellency the Viceroy has kindly consented to be Patron.

2. It is hoped that a Central Council may be formed of the leading members of the Public and representatives from the Civil, Naval, Military and Air Services, ex-service man and the business community.

3. I am instructed to ask that you will kindly request your Committee to allow their Chairman to become an ex-officio Member of the Central Council.—Yours truly,

E. H. SWEET,
Lieutenant Colonel,
for Adjutant General in India.

No. 658-111.
Chamber of Commerce,
Bombay, 29th March, 1921.

Lieut. Colonel E. H. Sweet,
Room No. 235, Imperial Secretariat,
Delhi.

Dear Sir,—With reference to your letter dated the 12th instant, and previous correspondence, in connection with a proposal to form a branch of Field Marshal Earl Haig's Officers' Association in India, I am desired by Mr. H. P. W. Macnaghten, M. L. C., Chairman-elect of the Committee of the Chamber to say that he will be pleased to become a member of the Central Council ex-officio. —Yours faithfully,

C. B. SAYER,
Secretary.

APPENDIX X-2.

INDIAN ARMY RESERVE OF OFFICERS.

European Association, 4, Camac Street.
Calcutta, the 14th April, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—I am attaching note re the Army in India Reserve of Officers.

I would be very glad if you would let me know at your earliest convenience, the views of your Chamber regarding the two points raised.—I have etc.,

F. HOWARD TYAS,
General Secretary.

Note to the Council of the European Association, the Calcutta, Madras, Bombay, and Cawnpore Branches, and the Chamber of Commerce, Bengal, Bombay and Madras.

ARMY IN INDIA RESERVE OF OFFICERS.

The Army are preparing a scheme for providing Officers for the Indian Army Reserve.

They want to get hold of the right type of man (a youngster recently out from Home, public school and so forth). He will have to put in one month's military training each year, and will be liable to be called to the Colours at a moment's notice.

(1) The scheme at present contemplated is that the month's training shall take place during the cold weather.

(2) An alternative is suggested, namely, that the training shall take place at a hill station during the hot weather. It is considered that employers would be far more likely to spare a member of their staff for a month in the hot weather rather than lose his services during the busy season, *i. e.* the cold weather. Moreover from a health point of view, by taking the training in a hill station during the Summer months, he would come back to work all the fitter for his having been able to get away from the plains for that period.

This second scheme is meeting with opposition amongst certain sections of the military authorities.

I have been asked unofficially what the leading manufacturers views of the matter are. I should be glad if you would let me know whether you favour scheme (1) or (2).

No. 916-153.

Chamber of Commerce,
Bombay, 5th May, 1921.

The General Secretary,
European Association,
4, Camac Street, Calcutta.

Dear Sir,—I am directed to acknowledge receipt of your letter, dated the 14th ultimo, and its accompaniment, on the subject of the reconstitution of the Indian Army Reserve of Officers.

In reply I am to state that my Committee consider that there will be very little response in Bombay to a scheme which involves a month's training every year in addition to indefinite obligations. None of the mercantile offices in Bombay are staffed on a scale which allows juniors a month's leave in the year; such leave in India as a junior can expect in his first ten years of service is of a most casual nature and is arranged to suit the convenience of the firm rather than that of the individual concerned.

It is perhaps rather easier for a man to be spared in the hot weather than in the cold weather, but at that time of the year the offices are already shorthanded owing to Home leave, and my Committee think it may be assumed that very few people will allow themselves to be committed to a month's training at any time of the year.

My Committee regret therefore that they cannot foresee any future for a Reserve of Officers the efficiency of which depends on so extended a period of training and consider that no adequate reserve of officers can possibly be formed except on much less onerous conditions.—Yours faithfully,

H. ROYAL,
for Secretary.

APPENDIX X-3.

WAR MEMORIAL.

Chamber of Commerce,
Bombay, 3rd November, 1920.

All Members of the Chamber of Commerce,
Bombay.

Dear Sirs,—During our recent visit to Simla to attend the last session of the Imperial Legislative Council, both the Hon'ble Mr. Murray, President of the Bengal Chamber of Commerce and myself were asked by His Excellency the Viceroy if the European Communities of Bengal and Bombay would subscribe to a War Memorial, to take the form of the establishment of convalescent homes for British Officers in India, in memory of British Officers who fell in the war.

I should explain here that in March last, the Bombay Chamber of Commerce received a communication from the Bengal Chamber setting forth a similar proposal of which our Committee approved ; but nothing further was heard of the project.

Mr. Murray, in reply, informed the Viceroy that Calcutta had already subscribed some Rs. 2 lakhs to a War Memorial which comprised a monument to lascars erected on the banks of the Hooghly and a cenotaph to Officers to be erected on the Maidan, and that he was afraid it would be difficult to collect any more. I was unable to tell His Excellency that Bombay had subscribed to any memorial and, as a consequence, I promised to ascertain what Bombay would do.

The Viceroy, who is taking a personal interest in the Convalescent Homes, explained that, while the capital outlay cannot be found from the general revenues of the country for obvious reasons, Government are very ready and willing to attend to the upkeep and recurring charges of the Homes.

I feel that Bombay should not be behindhand in subscribing to a memorial in memory of British Officers who fell in the war, and I cannot help thinking that our support to the fund for Convalescent Homes for officers would be a more practical expression of sympathy than erection of a monument or cenotaph.

There is already one convalescent home in Simla,—the Crags—and the attached copy of a memorandum prepared by the Medical Officer in charge will show how greatly it has been appreciated.

Will you kindly state upon the attached list the amount you are prepared to subscribe to this Memorial Fund which, I am confident, will appeal strongly to your sympathies and meet with your generous support?

Subscriptions should be sent to the Acting Secretary of the Bombay Chamber of Commerce *by crossed cheque* and will be acknowledged by him in the usual manner. —Yours faithfully,

A. H. FROOM,
Chairman.

Scheme for the provision, in the hills, of permanent Convalescent Homes for Officers.

In the hot whether of 1916 large numbers of sick and convalescent officers arriving in various hill stations in India, found very great difficulty in obtaining accommodation owing to the fact that all hotels, boarding houses etc., were crowded to their utmost capacity.

To provide accommodation the Indian Imperial Relief Fund entered into arrangements with a large number of hotels and boarding houses by which certain accommodation was reserved for the use of convalescent officers. As this accommodation proved inadequate and not in all respects satisfactory, Her Excellency Lady Chelmsford opened the Lady Chelmsford Convalescent Home—The Crags—at Simla.

This house, which was sufficiently large to accommodate forty officers, has fulfilled a most useful purpose during the past four seasons, some five hundred officers having passed through it in that time.

Last year, on the outbreak of the Afgan campaign, the Crags was the only convalescent Home available and, were it not for this fact the Military Authorities would have found it extremely difficult, if not impossible, to meet the immediate and urgent demand for suitable accommodation, under medical supervision, in the hills for the numerous cases which at once commenced to be evacuated from the front.

The existence of the Crags only partly met the demand, as many cases had to be refused admission before it was possible to improvise the large amount of extra accommodation required in other hill stations. The necessity for the provision of permanent convalescent homes for officers in the hills has now been accepted by Government, and it is recognized that the inability of officers to take the short leave to the hills they require for health reasons, either owing to the lack of accommodation (at present an acute problem at all hill stations) or to the expense, due to the ever increasing charges by hotels, etc, leads to a considerable amount of inefficiency caused by ill-health and loss of tone generally.

There can be no doubt that it will tend to the more rapid recovery of the health if, instead of being permitted to reside in hotels and boarding houses, officers, while on sick leave are brought under a certain amount of discipline and continual medical supervision.

Government must accept the responsibility for provision of these homes, but, on the other hand Government will not be justified in providing, out of the taxpayers' money, anything beyond what may be considered as the bare necessities, and the administration would, if entirely under Government control, be carried out more or less on the stereotyped hospital lines.

Something more than this is required, and the aim should be to make residence at these homes as attractive as possible.

Every effort should be made to make the surroundings attractive so that officers will feel that they are free from all unnecessary irksome restrictions and that everything in reason will be done to promote their comfort and well being. These homes should provide not only for officers who have been discharged from hospitals in the plains but also for those who feel run down without actually going on the sick list; any officers should be eligible for admission whose medical officer recommends him.

Assistance in the direction of the provision of really attractive homes, of the nature indicated, for British Officers would appear to form the most appropriate tribute possible which the civilian population of India can pay to those who have borne their part in the great war. This provision of the amenities which in the past made "The Crags" at Simla so popular appears a very legitimate object for non-Government funds.

If the money required can be provided from the proposed endowment fund, it is understood that Government will do its part in the home so provided, accepting responsibility for the extra cost on messing, insurance taxes and lighting, besides paying the salaries of the commandant and menial staff.

It is also certainly worthy of consideration, from the point of view of the great European commercial community, that anything which will assist in making military service in India more attractive to the young men from home is especially desirable in these days. Officers will, in the future, be drawn less and less from the wealthy class, and, as life in India grows more expensive it will become more and more difficult for them to find accommodation for themselves in hill stations when they are run down.

All of us who have lived for any length of time in India know what the danger and temptations of the impecunious young soldier are, and how often a promising career has been wrecked by them.

Experience of "The Crags" at Simla has shown very definitely that by judicious handling, under limited restraints, the best results are obtainable. This is well illustrated by the fact that during the four years of Colonel Rows' management there have only been two cases in which officers have offended against the regulations in the matter of drink and there has been generally speaking not only an entire absence of complaint against the limited restraints imposed, but the most constant testimony to the cheerfulness and comfort of life under this condition.

The object of the appeal is not to induce the public to contribute money which ought to be provided from Government sources but to supplement the action of Government by providing the necessary amenities and attractive surroundings for which there is no justification under present conditions in India for asking to taxpayer to pay.

It is hoped that sufficient funds will be subscribed to provide two convalescent homes, one the Crags at Simla, to accommodate forty officers, and one at Ootacamand for twenty officers.

It is estimated that houses suitable for the purpose can be purchased for Rs, 3 lakhs. Furniture, equipment and structural alterations, Rs. 1,20,000 in addition, the interest on a capital sum of Rs. 1½ lakh should meet all contingencies for the provision of the special amenities required. Total Rs. 5,70,000.

It is proposed that all officers above the rank of Lieutenant should, at these homes, pay for their messing at the rate of Rs. 5 per diem, second Lieutenants being charged Rs. 4 per diem.

Any additional cost on messing will be met by Government.

List of Subscribers to the Memorial to British Officers who fell in the War.

Names of Subscribers	Amount. Rs.
The Western India Turf Club	...15,000
Sir Sassoon J. David, Bart	... 5,000
The International Banking Corporation ...	... 2,500
The Hongkong & Shanghai Banking Corporation	2,000
Messrs Mackinnon Mackenzie & Co. ...	... 1,500
The Hon'ble Mr. A. H. Froom...	... 500
Mr. L. S. Hudson	... 250
Mr. P. H. Browne	... 250
Messrs. Ralli Brothers	... 1,500
Mr. A. D. Stephanos	... 250
Messrs. Wallace & Co.	... 1,500
Mr. H. Macnaghten	... 250
The Bombay Company Ld.	... 1,500
Mr. S. J. Gillum	... 250
Messrs. Turner Morrison & Co. Ld.	... 1,500
Mr. H. C. Edmondson	... 250
Messrs. W. & A. Graham & Co.	... 1,500
Mr. A. K. Graham	... 250
Messrs. Killick Nixon & Co.	... 1,500
Messrs. E. D. Sassoon & Co.	... 1,500
Messrs. Forbes, Forbes, Campbell & Co. Ld.	... 1,500
Messrs. David Sassoon & Co. Ld.	... 1,500
Mr. H. H. Sawyer	... 250
Mr. Ronald Sassoon	... 1,500
Messrs. Tata Sons Ld.	... 1,500
Messrs. Phipson & Co. Ld.	... 1,500
Messrs. W. H. Brady & Co. Ld.	... 1,500
Messrs. Shaw Wallace & Co.	... 1,500
Messrs. Thos. Cook & Son	... 1,500
Messrs. Marshall Son & Co. Ld.	... 1,500
The Eastern Bank Ld.	... 1,500
Carried forward	... 54,000

Names of Subscribers	Amount.
	Rs.
Brought forward	54,000
The National Bank of India Ld.	1,500
Messrs Greaves Cotton & Co. } Mr. H. R. Greaves }	1,500
The Chartered Bank of India, Australia & China ...	1,500
Messrs. Volkart Bros.	1,500
Messrs. Symons Barlow & Co....	1,000
Messrs. Langley & Co.	1,000
Mr. G. E. D. Langley	500
Messrs. Nowrojee Wadia & Sons, Agents The Bombay Dyeing & Mfg. Co. Ld. ...	1,000
Messrs. Croft & Forbes	1,000
Messrs. James Finlay & Co. Ld.	1,000
Messrs. Breul & Co.	1,000
Messrs. P. Chrystal & Co.	1,000
Messrs. Gill & Co.	1,000
The Mercantile Bank of India, Ld.	1,000
Messrs. Sanday & Co.	1,000
The Imperial Bank of India, Ld.	1,000
Alliance Bank of Simla, Ld.	1,000
Messrs. Weld & Co.	1,000
Messrs. Bennett Coleman & Co. Ld.	1,000
Messrs. W. M. Gossage & Sons Ld.	1,000
Messrs. Ewart Latham & Co.	750
The Bombay Electric Supply & Tramways Co. Ld.	750
Messrs. Strauss & Co. Ld.	750
Messrs. Latham Abercrombie & Co.	500
Sir George Lowndes, K. C. S. I., K. C., ...	500
The Bombay Gas Co. Ld.	500
Messrs. Grindlay & Co.	500
Messrs. Callenders Cable & Construction Co. Ld. ...	500
Messrs. Duncan Stratton & Co.	500
Messrs. James MacIntosh & Co.	500
The Porcupine Foundry Co. Ld.	500
Messrs. Framji Sons & Co.	500
The New Mofussil Co. Ld.	500
Messrs. Steiners Ltd.	500
Messrs. Croft Mody & Co.	300
Messrs. Kahn & Kahn	300
Sir Robert Aitken	250
Mr. Harry T. Gorrie	250
The Vacuum Oil Co.	250
Carried forward	...84,600

Names of Subscribers	Amount. Rs.
Brought forward	... 84,600
Mr. J. S. Brown. } Mr. F. S. Cox }	... 250
The Dunlop Rubber Co. Ld.	... 250
Mr. L. W. Rampton	... 150
Mr. M. St. Paul	... 100
Mr. F. P. Wiggin	... 100
Total Rs.	... 85,450

No. 572-57.

Chamber of Commerce,
Bombay, 12th March, 1921.

The Hon'ble Mr. W. M. Hailey, C. S. I., C. I. E.,
Finance Department, Government of India,
Delhi.

Dear Sir,—At the request of my Chairman, the Hon'ble Mr. A. H. Froom, who informs me that he had an interview with you recently in regard to the subscriptions that are being raised by this Chamber towards a memorial in memory of British Officers who fell in the war, I am forwarding herewith a draft on the Delhi Branch of the Imperial Bank of India, for Rs. 85,450 being the amount collected by the Chamber to date for the above War Memorial, which, it is understood, will take the form of the establishment of Convalescent Homes for British Officers in India.

I shall be obliged if you will kindly acknowledge receipt of the above cheque at your convenience.—Yours faithfully,

C. B. SAYER,
Secretary.

Viceregal Lodge,
Delhi, 21st March, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—I write to acknowledge receipt of a Draft for Rs. 85,450 in aid of the Officers' Convalescent Homes, which you sent to Mr. Hailey with your letter of the 12th instant and which has been passed on to me. I am to say that Their Excellencies are very much gratified

at the support given by the Bombay Chamber of Commerce to a cause which they have so much at heart. —Yours faithfully,

S. R. HIGHELL,
Private Secretary to the Viceroy.

APPENDIX X-4.

THE AUXILIARY FORCE.

No. 520-A.C.

Associated Chambers of Commerce
of India and Ceylon, Royal Exchange,
Calcutta, 28th February, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—I am directed to hand you for your information and for such remarks as your Chamber may wish to offer the attached copy of a letter No. 9938-1-M. O. 1 dated 23rd February 1921 from the Chief of the General Staff, Army Headquarters, on the subject of the Auxiliary Force.

2. A copy of my No. 413-A.C. dated 5th February to the Adjutant General is also attached for information.—Yours faithfully,

H. M. HAYWOOD,
Secretary.

Letter No. 413-A.C. dated 5th February 1921 from the Associated Chambers of Commerce of India and Ceylon to the Adjutant General in India.

I am directed to submit, for the favourable consideration of the Government of India, the following resolutions which were adopted at the annual general meeting of the Associated Chambers of Commerce of India and Ceylon held in Calcutta on the 24th and 25th January 1921 :—

(a) That this Association desires to assist to the uttermost in promoting the success of the Auxiliary Force as constituted in the Auxiliary Force Act, 1920.

(b) That with the object of giving effect to the previous resolution, this Association recommends that Government should provide, if requested to do so, as Commandant, of each battalion or of linked battalions, a senior Regular Officer specially selected for his powers of organisation.

2. I am to add that a report of the discussion which preceded the adoption of these resolutions will be forwarded to you at an early date.

Letter No. 9938-1-M.O. 1 dated 23rd February 1921 from the Chief of the General Staff, Army Headquarters, India, to the Associated Chambers of Commerce of India and Ceylon.

I am directed to acknowledge receipt of your letter No. 413-A.C. dated 5th February 1921 on the subject of the Auxiliary Force.

His Excellency the Commander-in-Chief values highly the assurance of support and assistance on the part of the Association in promoting the success of a scheme in the development of which the Association took so prominent a part.

His Excellency is prepared to give every consideration to the views expressed by the Association as to the desirability of appointing regular officers to the command of units or groups of units of the Auxiliary Force. It will be realised, however, that the adoption of this course as a general principle would involve large expenditure for which provision has not been made, while at the present time it would be difficult, if not impossible, to find sufficient officers of the requisite standing and qualifications were any large number demanded.

Your Association is doubtless aware that the course recommended has been followed in Rangoon as a temporary measure, and His Excellency the Commander-in-Chief is willing to meet the wishes of the Association in a few places of special importance, such as Bombay, for example where the local Chamber of Commerce has already urged the adoption of the principle.

Specific recommendations of your Associations are invited, on the understanding that these appointments must be restricted to important localities in which

progress is likely to be delayed in the absence of a regular commandant, and that it is not possible to regard this innovation as a permanent measure; the deputation of an officer for one year being the most that can at present be contemplated.

Your Association is doubtless aware that sanction has been accorded recently to an improvement in the pay and status of Adjutants appointed to the Auxiliary Force. This, it is hoped, will lead to the selection of officers of more seniority and higher qualifications than in the past: a result which will tend to remove some of the difficulties which have led to your recommendation.

No. 606-112

Chamber of Commerce,
Bombay, 17th March, 1921.

The Chief of the General Staff,
Army Headquarters,
Delhi.

Sir,—I am directed to state that my Committee have received a copy of your letter, No, 9938-1-M.O. 1., dated the 23rd February 1921, addressed to the Associated Chambers of Commerce of India and Ceylon on the subject of the desirability of appointing regular officers to the command of units of the Auxiliary Force.

2. From your letter above referred to my Committee note that His Excellency the Commander-in-Chief is willing to consider the appointment of regular officers as Commandants of units of the Auxiliary Force in a few places of special importance, such as this city, where, as you observe, my Committee have already urged the adoption of the principle.

3. I am now accordingly to request, in conformity with the resolution on the same subject adopted at the last Annual General Meeting of the Associated Chambers and supported by the representative of this Chamber present thereat, a copy of which has already been forwarded to your Department, that Government should provide as Commandant of the group of units of the Auxiliary Force now in the process of organisation in Bombay a senior regular officer specially selected for his powers of organisation.—I have etc.,

C. B. SAYER,
Secretary.

Copy forwarded with compliments to G. O. C. Bombay Brigade for information.

Copy forwarded with compliments to the Associated Chambers of Commerce of India and Ceylon, Calcutta, in reply to their letter, No. 520-A.C., dated the 28th February 1921.

C. B. SAYER,
Secretary.

No. 9938-2-M.O. 1.

Army Headquarters, India,
General Staff Branch,
Simla, 4th April, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—In reply to your letter No. 606-112 dated the 17th March 1921 I am directed to say that H. E. the Commander-in-Chief has been pleased to accept the recommendation of your Chamber and has appointed Brevet Lieutenant Colonel H. E. Lavie, D.S.O., of the Durham Light Infantry, an officer with much experience of organisation, as Commandant of the Auxiliary Force in Bombay.

His Excellency trusts that the Commandant will receive the full support of your Chamber in the task of organising and rendering efficient the Bombay contingent of the Auxiliary Force.—I am etc.,

W. W. PITT-TAYLOR,
Colonel, D. M. O.,
for Chief of the General Staff.

No. 802-112.

Chamber of Commerce,
Bombay, 15th April, 1921.

The Chief of the General Staff,
Army Headquarters, India,
Simla.

Sir,—I am directed to acknowledge receipt of your letter, No. 9938-2-M.O. 1., dated the 4th April 1921, with reference to the appointment of Brevet Lieutenant Colonel H. E. Lavie, D. S. O., as Commandant of the Auxiliary Force in this city.

In reply I am to request you kindly to convey to H. E. the Commander-in-Chief my Committee's appreciation of the manner in which he has responded to their representation.—I have etc.,

C. B. SAYER,
Secretary.

No. 800-112 of 15th April 1921.

Copy forwarded with compliments to the Associated Chambers of Commerce of India and Ceylon, Calcutta, in continuation of endorsement on letter No. 606-112 dated the 17th March 1921 to Chief of the General Staff, Delhi.

C. B. SAYER,
Secretary.

APPENDIX X-5.

MILITARY REQUIREMENTS IN INDIA.

Army Headquarters, India,
General Staff Branch,
Simla, 18th June, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—I am directed to inform you that under the orders of the Government of India a Committee is now sitting at Simla under the Presidentship of H. E. the Commander-in-Chief in India, which is examining the military requirements of India.

2. I enclose a copy of the form of questionnaire* which is being sent to gentlemen who are invited to give evidence before the Committee, and I am to ask whether you would care to send a representative who would lay before the Committee the views of your Chamber with regard to the subject matter contained in the questionnaire, with special reference to the position of non-official Europeans.

3. In the event of your being willing to send a witness, I am to ask whether he would like to furnish me with a short written statement of his views, which could be laid before the Committee a few days before his arrival in Simla. The Committee expect to finish

* Not printed, being confidential.

the examination of witnesses about the end of this month, so that, if you should wish to send a representative, he must be in Simla before the 30th June. I am to add that the expenses of witnesses attending the Committee are paid by Government.—Yours faithfully,

J. R. E. CHARLES, Colonel,
Secretary, Military Requirements Committee.

No. 1273-208.

Chamber of Commerce,
Bombay, 25th June, 1921.

The Secretary,
Military Requirements Committee,
Simla.

Dear Sir,—I am directed to acknowledge receipt of your letter of the 18th instant, and its accompaniment, inviting my Committee to send a representative to give evidence on their behalf before the Military Requirements Committee now sitting at Simla.

In reply I am to state that my Committee regret they are unable to send a representative to appear before the Committee in question.—Yours faithfully,

C. B. SAYER,
Secretary.

APPENDIX Y.

THE PAY OF PEONS IN GOVERNMENT OFFICES.

No. P.-2202.

Bombay Port Trust,
Bombay, 27th May, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—I am directed to say that under a recent Resolution issued by the Financial Department, Government have directed that the temporary and provisional allowance for peons and other menials serving in Bombay City should be raised from Rs. 6 per mensem (as sanctioned in March 1920) to Rs. 10 per mensem, with effect from 1st March 1921, pending the permanent revision of their pay.

With this increased allowance the pay and allowances of the Government peon staff compare as under with the pay and allowances of the peons on the Port Trust staff:—

Government peon staff

Pay.		Temporary and Provisional allowance.	House rent.	Total.
	Rs.	Rs.	Rs.	Rs.
Peons ...	10-12	10	7	27-29
Naiks ...	14	10	7	31
Havildars	15	10	7	32

Port Trust peon staff

Pay.		Temporary and Provisional allowance.	House rent.	Total.
Rs.		Rs.	Rs.	Rs.
Peons	14-16	5	4	23-25
Naiks	18-20	5	4	27-29
Havildars	21-23	5	4	30-32

The Trustees are not increasing the scale of their peon staff as their pay has already increased from 72 to 85 per cent. since 1914 and the Trustees consider that the present scale is adequate. They would, however, be glad if you could inform them of the present average rates of pay given to peons in commercial firms.—

Yours faithfully,
W. R. SHARPE,
Secretary.

No. 1146-191.

Chamber of Commerce,
Bombay, 6th June, 1921.

The Secretary, Bombay Port Trust,
Ballard Road, Bombay.

Dear Sir,—I am directed to acknowledge receipt of your letter No. P-2202 of the 27th ultimo requesting to be informed of the present average rates of pay given to peons in commercial firms. In reply I am to give below the particulars furnished by the members of my Committee in regard to the pay of their peons:—

(1) All pay and allowances have been consolidated. Sepoys on joining get Rs. 23 rising at the discretion of the firm. The head sepoy now gets Rs. 34.

(2) Sepoys get Rs. 22 on joining plus Rs. 3 allowance, rising at the discretion of the firm.

(3) Wages range from Rs. 30 to Rs. 8 for small boys. All, in addition, receive Rs. 10 allowance.

(4) Minimum wage for sepoys is Rs. 24. After 8 to 10 years' service they receive Rs. 27-29.

(5) Pay of sepoys ranges from Rs. 27 for senior men down to Rs. 15 for chokras.

(6) Pay of sepoys ranges from Rs. 21-10 as to Rs. 32-9 as including all allowances.

(7) The following salaries are paid:

	Max. Pay.	Grain Compensation.	House Allce.	Total.
	Rs.	Rs.	Rs.	Rs.
Havildars.	30	3	4	37
Naiks.	25	3	4	32
Sepoys.	22	3	4	29
Hamals.	23	3	4	30

Sepoys are started on Rs. 16 and Hamals on Rs. 17.

(8) Sepoys start on Rs. 18 and Chokras Rs. 13. For every year's service they get Re. 1 extra, provided their work is good. In addition they are paid at the present time 4½ annas per rupee to cover all allowances.

My Committee do not consider that the action of the Financial Department, in suddenly raising the scale of allowances without regard to the fall in the cost of

living, is at all well advised; and I am instructed to forward you herewith copy of my Committee's representation to Government in the matter,—Yours faithfully,

H. ROYAL,
for Secretary.

No. 1144-191.

Chamber of Commerce,
Bombay, 6th June, 1921.

The Secretary to Government,
Financial Department, Bombay.

Sir,—I have the honour to inform you that the attention of this Chamber has been drawn to a recent resolution issued by your Department under which Government have directed that the temporary and provisional allowance for peons and other menials serving in Bombay City should be raised from Rs. 6 (as sanctioned in March 1920) to Rs. 10 per mensem, with effect from 1st March 1921, pending the permanent revision of their pay.

My Committee are at a loss to understand Government's reasons for suddenly increasing the scale of pay of their peons without first ascertaining what wage was generally being paid in Bombay, or without first of all discussing the question with such bodies as the Port Trust, Municipality and the Improvement Trust and with representatives of Commercial Firms. They feel that Government, by increasing the wages of their menial staff in the manner they have done, are likely to embarrass the wage question in Bombay, more particularly in view of the decline in the cost of living, as is evidenced by the statement recently published by the Bombay Labour Office.

My Committee trust that, on any future occasion when the question of revising the scale of peon's wages is under consideration, Government before giving effect to their proposals will be pleased to make exhaustive enquiries among the public bodies and commercial firms likely to be affected by their action.—I have etc.,

H. ROYAL,
for Secretary.

No. P-2353.

Bombay Port Trust,
Bombay, 10th June, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Dear Sir,—I am directed to acknowledge receipt of your letter No. 1146-191 dated 6th June 1921 and to thank you for the information contained therein.—Yours faithfully,

C. M. HANSON,
Acting Secretary.

No. 398.

Financial Department,
Secretariat, Fort,
Bombay, 14th July, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—With reference to your letter No. 1144-191 dated 6th June 1921 I have the honour to explain that several firms were privately consulted before the original allowances were granted and this information was before Government when the last concession was made. The permanent revision of all peons' pay is under the consideration of Government and they will be glad to consider any representation which your Chamber may wish to make on the subject.

2. I am at the same time to point out that the high cost of all Government establishments in Bombay City is directly traceable to the high rates of pay which commercial firms are in a position to give, and Government cannot admit that the embarrassment caused by competition between Government and private firms as employers of clerical and menial labour is entirely one-sided.—I have etc.,

P. J. MEAD,
Chief Secretary to Government.

No. 1489-191.

Chamber of Commerce,
Bombay, 29th July 1921.

The Chief Secretary to Government
Financial Department, Bombay.

Sir,—I am directed to acknowledge receipt of your letter, No. 398, dated the 14th July 1921, and to thank you for the information contained therein with regard to the recent increase in the temporary and provisional allowance granted to peons serving in Government Offices in Bombay City.

My Committee are glad to note several firms were consulted privately before the original allowance was granted and that the information so obtained was before Government when the concession under reference was made. At the same time my Committee venture to submit for the consideration of Government the desirability of a reference being made on all future occasions to recognized public bodies, such as the Bombay Port Trust and Chamber of Commerce, in the first instance. The practice of consulting firms privately, while possibly possessing several advantages from the point of view of Government, is obviously open to grave objections and apt, as in the present instance, to lead to erroneous conclusions.—I have etc.,

C. B. SAYER,
Secretary.

APPENDIX Z.

PUBLIC HOLIDAYS IN 1921.

No. 182.

Financial Department,
Secretariat, Fort,
Bombay, 13th May, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed to forward, for the information of the Chamber, a copy of Government notification No. A. Misc. dated 11th May 1921 declaring the 24th May 1921—Empire Day—to be a public holiday under the Negotiable Instruments Act.—I have etc.,

H. V. BRAHAM,
Dy. Secretary to Government of Bombay.

No. A. Misc. of 1921.

Financial Department,
Secretariat, Fort,
Bombay, 11th May, 1921.

NOTIFICATION.

Under Section 25 of Act XXVI of 1881, entitled the Negotiable Instruments Act, the Governor in Council is pleased to declare Tuesday, the 24th May 1921—Empire Day—to be a public Holiday.

By order of the Governor in Council,
A. W. W. MACKIE,
Secretary to Government.

No. 1086-32.

Chamber of Commerce,
Bombay, 27th May, 1921.

The Deputy Secretary to Government,
Financial Department, Bombay.

Sir,—With reference to your letter No. 182 of the 13th instant, forwarding a copy of Government Notification No. A. Misc. dated 11th idem, declaring the 24th May 1921-Empire Day, to be a public holiday under the Negotiable Instruments Act, I am desired by the Committee of the Bombay Chamber of Commerce to suggest that, if it is the intention of Government to declare Empire Day a holiday every year, steps might be taken to notify the day in the list of holidays published at the beginning of each year in order to avoid the inconvenience caused by the short notice given at present.—I have etc.,

H. ROYAL,
for Secretary.

No. 182.

Financial Department,
Secretariat, Fort,
Bombay, 25th June, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed by the Governor in Council to inform you that a copy of your letter No. 1086-32 dated 27th May 1921 has been forwarded to the Government of India for disposal.—I have etc.,

H. DOW,
Dy. Secretary to Government.

No. 182-A.

Finance Department,
Secretariat, Fort,
Bombay, 7th February, 1921.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—I am directed to forward for the information of the Chamber a copy of the Government Resolution No. 182 dated 30th January 1922 and of Government Notification bearing the same No. and date.—I have etc.,

H. DOW,
Dy. Secretary to Government.

FINANCE DEPARTMENT.

Secretariat, Fort,
Bombay, 30th January, 1922.

No. 182.—Under section 25 of Act XXVI of 1881, entitled the Negotiable Instruments Act, the Governor in Council is pleased to declare Wednesday, the 24th May 1922—Empire Day—to be a public holiday.

By order of the Governor in Council,
P. J. MEAD,
Chief Secretary to Government.

HOLIDAYS—EMPIRE DAY.

Finance Department,
Secretariat, Fort,
Bombay, 30th January 1922.

Resolution No. 182.

Letter from the Government of India, Home Department, No. D.-2948-Public dated 14th January 1922:—

"With reference to the correspondence ending with your letter No. F.-182, dated the 27th August 1921, on the above subject, I am directed to say that the Government of India have decided that the 24th of May should in future be observed every year as 'Empire Day' in India. I am to request that, if there is no objection, the day may be notified annually as a public holiday under the Negotiable Instruments Act, 1881 (Act XXVI of 1881), at the same time as the list of other public holidays is published each year.

RESOLUTION.—Copy of the letter from the Government of India should be forwarded to the Oriental Translator to Government for information and guidance.

By order of the Governor in Council,
H. DOW,
Dy. Secretary to Government.

No. 262-32.

Chamber of Commerce,
Bombay, 17th February, 1922.

The Deputy Secretary to Government,
Finance Department, Bombay.

Sir,—I am directed to acknowledge receipt of your letter, No. 182-A., dated the 7th February 1922, and its accompaniments, and to state that the information contained therein has been duly noted.

2. My Committee will be glad, however, if they may be advised, in due course, whether it is the intention of the local Government to comply with the Government of India's request that the day should be notified annually as a Public Holiday under the Negotiable Instruments Act, 1881, at the same time as the list of other public holidays is published each year.—I have etc.,

C. B. SAYER,
Secretary.

No. 182-A.

Finance Department,
Secretariat, Fort,
Bombay, 20th February, 1922.

The Secretary, Chamber of Commerce,
Bombay.

Sir,—With reference to your letter No. 262-32 dated 17th February 1922, I am directed to state that it is the intention of the Government of Bombay to comply with the Government of India's decision to notify the Empire Day annually as a public holiday under the Negotiable Instruments Act, 1881, at the same time as the list of public holidays is published annually.—I have etc.,

H. DOW,
Dy. Secretary to Government.

REPORT FOR THE YEAR 1921

VOLUME II

Documents and Statistics

THE BUDGET.

Extract from the Proceedings of a meeting of the Indian Legislative Assembly, held at Delhi on Tuesday, 1st March 1921.

SPEECH OF THE FINANCE MEMBER INTRODUCING THE BUDGET FOR 1922-23.

INTRODUCTORY.

It was my duty last year to place before this Assembly a budget which exhibited a heavy deficit. I had to confront the House, at the very inception of its career, with one of the most difficult problems which can fall to the lot of a representative Assembly. The responsibility was heavy, for the world was watching to see how this, the youngest of Parliaments, would meet a test which might have strained the capacity of many an older institution. But those of us to whom the success of the reformed constitution had become an article of faith had no apprehensions; and we were justified of our confidence. The House took up its burden in a spirit which in the common judgment of every serious critic at once sealed its position among the representative institutions of the world. It would have indeed been a welcome task if I could have come before you to-day with the confident assurance that your courage had met with the success it deserved; if we could have told you that the steps you took last year had rehabilitated our finances and closed the gap between the income and the expenditure of the nation. But Providence has seen otherwise, and this Assembly again has to face the heavy responsibility of dealing with a situation of great financial difficulty. It is no secret that the incomings of the current year have fallen far below our expectations; and as the House has probably already anticipated, the estimates for the coming year disclose a heavy excess of expenditure over revenue.

2. Let me from the first make one point clear. I shall have no such apologies to make—as may have to be offered by the Finance Ministers of other countries—regarding increase of expenditure due to causes which could be held to be within our own control or due to our own volition. You will not have cause to complain that we have, in circumstances of exceptional stringency,

embarked on fresh avenues of expenditure, or engaged in enterprises which should have been deferred until our finances were in a position to afford them. The details I shall subsequently give you will make this abundantly clear. Our difficulties are due to a falling exchange, to the continued depression in world trade, to reduced returns from our commercial services and increased running expenditure incidental to their maintenance. I can claim—and the figures I present will justify my claim—that the most exacting control has been exercised in preventing any excess over our estimates of standing and established charges, and that every possible avenue of fresh expenditure has been stopped and barred. So much for economy; our critics will however probably go further and urge that in all the circumstances it was not enough merely to have stopped fresh expenditure; we should have entered on the more drastic field of retrenchment. I shall return to this subject again; as the House knows we fully admit the necessity of retrenchment; but I will only say here (and again without fear of challenge) that though retrenchment would improve our position, no measure that we could conceive or could hope to carry through could radically alter the situation in which we find ourselves. I have thought fit to make these points clear from the first. I have to put before the Assembly a position which is full of difficulties for us, for the House and for the country; but I can present it with all the greater confidence and with all the greater frankness, because I am convinced that every fact and figure which I present will only justify and confirm the points I have now made. It is a situation which we have to meet together; the House I know will meet it with that high sense of responsibility with which it encountered the situation of last March; we may differ in detail as to the exact method of dealing with it; but neither as to the causes which have occasioned it, nor as to the main solution to be applied have I any apprehension of difference or dissent.

General characteristics of the year.

3. I come now to the details of our position, and will deal first with the general conditions which have falsified our estimates of revenue for the present year. What were the circumstances in which we budgeted last March? The trade boom which followed the Armistice had definitely passed away and a heavy reaction had set in; but the future outlook was obscure, and it was impossible to say what precise effect it would have on

our revenues. We budgeted in an atmosphere of trade depression, and our estimates allowed for a definite retardation in the normal growth which our revenues might otherwise have been expected to exhibit. But it was not possible to foresee that the depression of trade would reach such abysmal depths, nor that its consequences would react so disastrously on our finances. I will take separately the internal and external factors. As to the former, the effects of the poor monsoon of 1920 continued to show themselves throughout the year 1921. What rose to Rs. 6 a maund in January and to the almost unexampled figure of Rs. 8½ per maund in December; Rangoon rice increased during the same period from Rs. 4 to Rs. 6½ a maund. Not only did we have to continue the embargo on the export of wheat, but India became a heavy importer. Labour trouble at the collieries curtailed the raising of coal; we could only maintain the service of our railways by purchases of foreign coal at greatly increased expense and again of course with detrimental effect on our balance of trade. Thirdly, the conditions of the country have been such, partly economic and partly political, that there has been a complete stagnation of the ordinary activities of internal trade. I shall not dwell again now on the unfortunate series of events which led to the locking up of many million pounds' worth of imported goods owing to the inability or the failure of importers to take up their contracts. But whether this was due entirely to economic or partly to political causes, the event was typical of much of the history of internal trade throughout the year. Not even an unusually favourable monsoon in the autumn of 1921 has succeeded in solving a position due to the interaction of these double influences. Such were the internal conditions. I need not dwell at length on the external conditions. The prevailing depression in Russia and Central Europe, aggravated by famine conditions in the former country, continued to deprive India of the customers on whom in normal years she is wont to rely. How unstable was the basis on which our exports depended is shown by the history of our reviving trade with Germany. Exports to that country which averaged 1½ crores monthly during the period July-September collapsed with the catastrophic fall of the mark in October and had fallen in December to only half a crore. Our exports, which had reached their height with 31 crores in March 1920, had declined to 18 crores in March 1921 and reached their lowest point in June of last year with 16 crores. It

is true that there was a recovery to 21 crores in December, but on the whole, greatly reduced as has been the scale of our imports, there is a total balance against us of 33 crores for the ten months ending January.

REVENUE AND EXPENDITURE OF 1921-22.

Current year's Revenue.

4. Let me proceed at once to give in figures the total result of these unfavourable factors. The budget estimates as finally passed provided for a small surplus of 71 lakhs; the revenue including new taxation being estimated at 1,28⅓ crores and the expenditure at just over 1,27½ crores. We now estimate that the revenue will be 1,08 crores or 20⅓ crores less. I will take only the principal items. Under *Customs* we expected 37¾ crores; we do not now look to realize more than 33½, or a falling off of 4¼ crores. But for a heavy revival of the import of sugar in the autumn our total receipts would be even worse; indeed sugar has come to our assistance to the extent of 6¾ crores out of the 33½. In *Taxes on income* we shall probably have to pay some heavy refunds, owing to adjustment of provisional assessments made on last year's profits, and taking receipts and refunds together, the income will fall short by 90 lakhs of the budget figure of 18½ crores. *Salt* will be short by 80 or 90 lakhs of the expected figure of 7 crores, mainly owing to our inability to maintain a full supply of Northern India salt. *Opium* will be short by 70 lakhs on the expected total of 3,73 lakhs; clearly our customers in the Far East anticipate decreased consumption as the result of international action. I come now to our commercial departments. Naturally enough our *Railways* reflect the great stagnation of trade throughout the year, and in addition, the returns of the last few weeks have shown the effect of the recent strike. We expected to get gross receipts of 87 crores and shall have to content ourselves with 83. But the mischief does not end here, for far worse than the decline in gross traffic receipts is the increase in working expenses. Owing to short raisings of coal we have had to pay more for the Indian article, and to supplement the home supply by heavy purchases from abroad, and altogether the total excess of working expenses over the budget figure will be 7¼ crores. Allowing further for some falling off in the receipts from the surtax, the total worseness on the railway budget will be no less than 13 crores; and railways, after payment of interest charges, will, for the first time for many years,

be working at an actual loss, namely over 2½ crores. Finally, there are the *Posts and Telegraphs.* The gross revenue is about 1½ crores less than anticipated, of which about 35 lakhs occur in the yield from the new rates approved by the Assembly last year. Here again we have an instance of a large commercial department working at a deficit; the total loss to the general taxpayer on the combined department in the current year will be about 90 lakhs. The combined effect of these items is to produce the falling off of 20 crores to which I have alluded.

Current year's expenditure.

5. Then as to expenditure. As I have said, we expected to spend 1,27½ crores. But we shall have to spend 2 crores more on account of the increase in *interest charges* due to the larger proceeds of the rupee loan realized by us this year and the increased borrowings undertaken in London. Under *military expenditure,* it will be remembered that we allowed for 62·20 crores of which 3 crores was attributable to Waziristan and one crore to expenditure on demobilization. During the year, however, operations in Waziristan continued, contrary to our expectations, on the extended scale set up in the concluding months of 1920-21, and altogether our expenditure on operations in that quarter have cost us 6¾ crores. I do not propose to analyse here in detail the remaining figures of military expenditure; they still contain abnormal features such as on the one side arrear claims from the War Office and on the other unexpected recoveries of arrears from the same source. There have also been very heavy increases in the cost of foodstuffs. It will be sufficient to say that on the whole, in spite of the increase due to this factor, and to the heavy excess on Waziristan operations, we have managed by careful control to keep the excess down to 2¾ crores. The total therefore stands at 65 crores against a budget of 62¼. No new permanent liability of any considerable amount has been added to the military charges in India with the exception of an enhanced scale of pensions for the families of Indian soldiers and the expansion of the Territorial force.

6. The increases in civil expenditure have been of minor importance and have for the most part been passed already by the Assembly in the form of supplementary grants. But there remains one head of great importance the *loss by exchange.* As I explained last year, the head is really one of adjustment. In the case of our commercial departments the difference in exchange between 2*s.* (the rate at which our accounts are kept) and the actual

rate is adjusted under the departmental head concerned, and that accounts for a certain proportion of the excess expenditure under Railways and Posts and Telegraphs. In the case of all other departments this adjustment for exchange is lumped together under the one head Exchange. I need not perhaps go into the circumstances under which we assumed a rate of 1*s.* 8*d.* last year; it was an account's assumption, not a prophecy; but I would remark here that in December 1920 (when of course our forecast was drawn up) the actual rate was between 1*s.* 7*d.* and 1*s.* 8*d.* We were twitted at the time with optimism; but I do not remember that our critics were then prepared to back any other figure with conviction. Exchange did indeed during September rise to 1*s.* 5¾*d.*; but it was followed by a rapid decline to below the 1*s.* 4*d.* level, in sympathy with the sudden fall of the German mark. For the rest, the summary which I have already given of our import and export trade is sufficient to indicate the immediate causes at any rate of the weakness of exchange; it only remains to add that the total cost to us under the head "Exchange" of its failure to reach the 1*s.* 8*d.* figure must be taken at 5¾ crores.

Deficit of current and previous years

7. Altogether then our expenditure is somewhat over 14¼ crores more than we expected; *and the total deficit will amount to no less than 34 crores.* If you carry your minds back to the history of the last three years, the House will realize that this is now the fourth deficit in succession. In 1918-19 it amounted to 6 crores; in 1919-20, mainly due to the Afghan War, the deficit was 24 crores; our final accounts of 1920-21, swollen by many adjustments of arrear expenditure on the Afghan war and the Great war, showed a deficit of 26 crores. Adding the 34 crores to which I have just referred, the total excess of expenditure over revenue in the four years comes to 90 crores. I am not ready to explain to the House the methods by which we have during the past four years provided the money necessary for carrying on the administration, nor to dwell on the implications, to be drawn from this continued succession of deficits. I have still to deal with the revenue and expenditure of the coming year.

ESTIMATES OF 1922-23.

I.—REEVNUE.

Outlook for next year.

8. I do not know if there is anyone here who would feel entitled to speak with confidence of the assumptions we should make in estimating for budget purposes the

character of the year on which we are about to enter. For myself, I can only indicate the main factors which have guided us. We have had a favourable monsoon and good winter rains ; this in itself should bring down the price of food grains and help to rectify the balance of trade. On the other hand, the bazaar trade still has before it all the difficulties involved in the liquidation of the import contracts entered into two years ago, and the spectre of unrest looms before the trader, paralysing industry and benumbing enterprize. As for the outside world, the relative strength of India's position is of course largely due to her share of the world's staple requirements. It is true that overseas stocks of Indian goods are still large, but they have been much reduced during the course of the past year, and foreign consumers have been forced to come to India to a considerable extent for their immediate necessities. Her raw jute and jute manufactures, though the period of boom has definitely passed, should still hold their own ; tea and cotton have indeed recovered to an extent that we could hardly have anticipated last year. The total exports of India during December 1921 were higher than those of any month since September 1920. Although therefore stocks of India's commodities in India are high, the signs are not unfavourable. It is probable that the historian of the future, with a clearer perspective, will look on the year 1921 as the logical sequel to 1920. The latter year experienced the full force of the reaction from the feverish and unhealthy trade activity which followed the Armistice. This reaction showed itself in a collapse of the world's purchasing power, an unparalleled slump in prices and congestion of unsold and unsaleable stocks. In 1921 we had the beginning of the painful process of re-adjustment. We have already made some advance in that process, and the conditions of India are such that (if she can only maintain internal peace) she may reasonably expect to take an early share in the revival of trade.

Estimates of revenue for next year.

9, I admit that the factors are obscure in many directions of great importance and they certainly do not encourage optimism, But on the whole we seem justified in framing our budget estimates on the assumption that there will be some slight improvement over the trade conditions which have existed during the current year. I will take the main heads in detail. Under *Customs* we assume that the imports of piecegoods will be somewhat better than those of the current year, and also that, as a

result of the withdrawal of the restrictions on the export of Burma rice, the revenue from that export duty will now become normal. We have also assumed a moderate improvement in the exports of jute; on the other hand, we cannot expect that the imports of sugar will be on any thing like the scale of the current year, though we have felt justified in taking an estimate of 4¼ crores as against the 6¾ crores likely to be received from that source this year. On the whole, we are assuming a net Customs revenue of 36·42 crores, nearly 3 crores in excess of the revenue which we are likely to collect in the current year. Then as regards *Taxes on Income*, we expect an increase in the net demand in most provinces with the exception of Bengal, but on the other hand the figures of the present year have been swollen by large arrear collections, and in the net, allowing for refunds in repect of collections on provisional assessments, we are assuming a total revenue of 19·87 crores, which is about a crore less than our probable revenue in the current year. Under *Salt* we have adopted an estimate of slightly over 7 crores, practically the same as that of the current year's budget. Our receipts from the sale of *Opium* are now mainly derived from the direct supplies we make to foreign and Colonial Governments on the contracts now in force, and, except when new contracts are entered into, do not vary very much from year to year; our revenue from the auction sales is, however, steadily dwindling and we do not expect more than half a crore from this source, making a total revenue, inclusive of the revenue from excise opium, of approximately 3 crores. This is about 60 lakhs less than the current year's budget and about the same as the revenue we expect to get in the current year.

Railway revenue.

10. In attempting to frame an estimate of net receipts from *railways* we are met with two difficulties. In the first place it is difficult to say what will be the exact yield from the new goods rates which will be brought into force from April the 1st next, replacing the present surtax. It is also difficult to say what the working expenses will amount to, as the coal market is in an abnormal state and a substantial increase or decrease in the cost of fuel will vitally affect the total. For *gross traffic receipts* we assume that the new goods rates will not yield less than 6 crores, and we think that an allowance of between 4 and 5 crores for normal growth in revenue is as much as can be justified. We think therefore that a fair estimate of gross receipts next year will

be 93½ crores. For *working expenses* we have taken the high figure of 68½ crores on the assumption that fuel charges will remain high, and after making as much provision as possible for the replacements and renewals which, as everyone knows, are so badly needed on all our railways. On these estimates, the *net receipts* next year will work out to 24½ crores; after allowing for interest and other indirect charges which will amount to 26 crores, the railways will be working at a loss of over 1 crore. This is not the proper occasion for me to embark upon any discussion of the question how far the administration of our railways should, in any particular year, be carried on with the object of producing a profit to the general taxpayer. It is a matter regarding which one side of the question, and one side only, has been put forward with considerable force in the report of Sir William Acworth's Committee. The House is aware that the proposal made by that Committee to effect a complete separation between the railway and the general budget was duly considered by a committee composed of members of the two Houses of the Legislature, whose report was published last December. That Committee decided that, whatever might be the theoretical merits of this question, practical considerations alone made it impossible to effect any such separation for the present. On one point, however, they can, I imagine, be no room for diversity of opinion, namely that the railways must pay their own way. For this reason we propose to take measures to increase the traffic receipts, The estimates which I have just given already take account of a substantial increase in goods rates in substitution of the existing surtax. The only remaining course therefore is to effect a material increase in passenger fares. An increase averaging about 25 per cent. will, we estimate, produce an extra 6 crores of revenue. This will of course more than make up the estimated loss on next year's working, but we shall have to continue for many years' heavy expenditure, debitable to the revenue account, on replacements and renewals, while our enlarged programme of capital expenditure will involve a cumulative increase of interest charges for some years to come; we therefore consider that we are justified in providing for some margin.

Contemplated increase in passenger fares.

11. The remaining important head on the revenue side is *Post and Telegraphs.* I must first of all explain what we have done as regards the separation of capital expenditure from expenditure charged to revenue. The

House will remember that this question was examined last March on the initiative of Mr. Samarth, when it was decided to transfer approximately 1 crore from revenue to capital as representing expenditure which was intrinsically of a capital nature. That transfer was made more or less summarily; it was obviously desirable to keep on the right side, and not to debit to loan funds expenditure which was really of the nature of running expenses and would only have to be written back to revenue. We have subsequently made a more careful examination of the various items of expenditure, and as a result we have felt justified, in the revised estimates for the current year, in debiting to capital a total amount of 1,28 lakhs. For the ensuing year, of the total estimated expenditure of 11¼ crores we find that we can justifiably take 1,45 lakhs to capital provisionally, pending of course the reconstitution of the post and telegraph accounts as a result of the investigation which has just been completed by the expert accountants who have been engaged on that work. With this division as between capital and revenue, we estimate that the expenditure chargeable to the revenue account next year will exceed the receipts by about 96 lakhs, after allowing for the debit of interest on the capital charge. This figure however, does not include the cost of pensions on the one hand, and on the other credits for certain concessional services rendered by the department to Indian States or foreign Governments. If we make adjustments on account of these items, there will be a further credit due to the department of about 17 lakhs, and, allowing for this, it may be said that during the current year the department has been working at a loss of about 90 lakhs and that next year it will be working at a loss of about 80 lakhs. This has a very definite bearing on certain proposals that I shall shortly mention.

Loss on the postal department.

Actual revenue expected.

12. This closes my review of revenue for the coming year. Including the increase on passenger rates, it should amount to 1,16½ crores; without that increase, it would come to 1,10½ crores as against a revised estimate of 1,08 crores for the current year. I come now to the expenditure side.

II.—EXPENDITURE.

Ban on new expenditure.

13. The first point I have to emphasise is that, as was the case a year ago, the demands of the various departments for the inclusion of items of new expenditure have been enormously curtailed; in effect, we have made provision for no new expenditure which cannot be

demonstrated to be of imperative necessity or likely to be immediately remunerative. Such items of new expenditure as have passed through the meshes of the Finance Department's net have further had to undergo the fire of the Standing Finance Committee's scrutiny before being embodied in the detailed estimates which are about to be placed in Hon'ble Members' hands. One head where the effect of this policy has been particularly marked is *Civil works.* The figure entered is 166 lakhs, and I must point out that this is only just sufficient to cover maintenance, repairs and establishment charges and the carrying on of works already in progress, and that it makes practically no provision at all for new construction. I do not think I need refer to the details of the estimates entered for *interest on debt, sinking funds,* and so forth, for such charges may be regarded as obligatory. Hon'ble Members will notice in the detailed estimates a special expenditure of 60 lakhs under *political charges;* this is a tentative provision for a scheme for the better solution of political troubles on the frontier. It has not yet crystallized into a form which admits of the exhibition of full details. For the rest, the variations in civil expenditure are not large. There will be a saving from the cessation of *census operations,* counterbalanced by certain additions to *income-tax* establishments, and a provision of 16 lakhs for various schemes of improvement at the *salt* sources in Northern India which are of imperative necessity for the safeguarding of our salt revenue. Apart from the extra political charges and the other variations which I have just referred to the civil heads show a small increase on the probable expenditure in the current year.

Estimated rate of exchange for next year.

14. As regards *exchange,* I may say at once that I see no indications, in the present conditions and outlook of our foreign trade, which would justify our assuming an average rate of exchange higher than 1*s.* 4*d.* during next year, and accordingly that is the figure upon which these estimates are based. In mentioning that estimated average rate I must again impress on the House that I am attempting no sort of prophecy regarding the future course of exchange, nor should anything that I say be taken as an indication of policy. It is of course unavoidable, for the purpose of the budget programme, to make some sort of assumption, however rough, as to the level at which exchange is likely to stand, taking the coming year as a whole. I have, as I have said, assumed for budget purposes a rate of 1*s.* 4*d.* The debit that will be

necessary in our accounts, which are still maintained on a 2*s.* basis, will on this assumption be about 15½ crores, of which 10 crores will appear under the head "Exchange", the remaining 5½ crores being debited in the estimates of the commercial departments.

No provision for reduction of provincial contributions.

15. Finally, before I come to the military estimates, I must point out that we have made no provision for any reduction in the present contributions payable to us by the Provincial Governments, the amount of which, after allowing for the waiving of the Bengal contribution, is 9,20 lakhs. The House is aware that several provinces, notably, Madras, the United Provinces and the Punjab, have pressed us strongly for some reduction next year in the amount of their contributions. It is also a matter of common knowledge that many of the provinces are finding it difficult, if not impossible, to cover their expenditure, and have had to ask their legislatures to sanction various schemes of new taxation in order to help balance their budgets. I shall have something more to say regarding the position of the provinces before I sit down. For the present, I will only say that we have not provided for any reduction for the simple reason that, with the certainty of a deficit staring us in the face, it was quite impracticable to do so. But I need hardly say that the progressive reduction and extinction of these contributions must be regarded as a first charge upon any betterness that the financial position of the Central Government may show in future years.

Military expenditure.

16. I now take the final and heaviest figure, namely, Military expenditure. The established charges we estimate at 59·70 crores against 58·20 in the current year's Budget, Waziristan charges at 2·13 against 3·00, and demobilization expenditure at ·35 against 1·00; the total is therefore 62·18 crores or approximately the same as in the Budget for the current year. The increase in established charges does not represent any addition to the strength of the post-war Army as already laid down, except in the case of the Territorial Force, and is largely due to an item which lies entirely outside our own control, namely, the great increase in prices of provisions and other consumable stores. These are estimated to cost nearly 2 crores more than in the current year. Apart from the outlay necessary for the expansion of the Territorial Force and from a relatively small sum of money for the revision of the pay of certain classes of Indian personnel in Army services whose remuneration

has not yet been brought up to the standard obtaining in other quarters, no new demands for military outlay have been admitted. Not only so, but it would have been impossible to keep the established charges down to the figure I have given had we not effected retrenchment in a number of directions, notably in Military Works, the purchase of new equipment, and the strength of the reserve, and further by taking credit for an anticipated shortage of British troops. As regards Waziristan, I fear that the figure can be regarded as tentative only, for it is always difficult to forecast the exact effect of military operations of this nature. These operations may as in the present year lead again to an excess in the military budget. The 35 lakhs on demobilization expenditure represents the sum which the Secretary of State has estimated will be required in 1922-23 for the payment of India's share of the compensatory gratuities to officers of the Indian Army who have been found surplus to strength owing to reduction of establishment.

17. The net result of these figures is that we expect an expenditure of 1,42¼ crores against a revenue, on the basis of existing taxation and including the provincial contribution of 9,20 lakhs, which will amount to 1,10½ crores, *i.e.* a deficit of 31¾ crores, which would be reduced to 25¾ crores by the contemplated increase in passenger fares mentioned by me. Resultant deficit.

PROBLEM OF HOW TO MEET THE DEFICIT.

18. I now come to the hardest part of my task to-day, namely, to discuss what measures should be taken to meet the grave problem presented by an estimated deficit next year of about 31¾ crores. It is obvious that there are, in theory, three courses which can be adopted, either separately or in combination. First, we can budget for a deficit, either the whole or part of the above amount; second, we can attempt to reduce our expenditure; and third, we can take steps to increase our revenues. The problem is so grave, and the issue at stake so large, being nothing less than the solvency of the country, that I make no apology for examining in some detail each of these three courses. Three possible courses.

Would it be desirable, or would it even be possible, to leave the whole or the major part of this deficit uncovered? Now, so far as I have been able to ascertain, on one occasion only in the past has the Government of this country deliberately budgeted for a deficit. This was in 1915-16, the first budget of the war, when Sir (1) Budgeting for a deficit.

William Meyer budgeted for a deficit of about 4 crores. In introducing that budget, Sir William Meyer carefully explained the reasons which had led him to adopt that course. He emphasised that the Government would not think of proposing to budget for a deficit if the deficiency in revenue promised to be of a more or less abiding character. That, however, he held, was not the case on that occasion; it was then too early in the war to be sure that the excess of expenditure over revenue was anything more than temporary, and unless and until it could be shown that the gap between revenue and expenditure was likely to last for some time, it would not be justifiable to impose increased taxation, especially as the Government's cash balances could at that time be relied on to produce the necessary finance. For the rest, so far as my researches go, the Government of India have always endeavoured to meet the expenditure of each year from the revenues of that year, and although on occasions their estimates have been disturbed and deficits have actually accrued, they have, except on the one occasion mentioned above, never deliberately contemplated that their expenditure should exceed their revenues. I do not think that there can be any doubt that this policy, consistently followed in good years and bad, when the outlook was fair and when it was gloomy, had much to do with the sound financial position in which India found herself at the beginning of the war, and with the excellence of the credit of the State both within the country and abroad.

Deficit not temporary.

19. Now, in considering the extent, if any, to which we should be justified in leaving this estimated deficit uncovered, there are two points of vital importance to which I must invite the careful attention of the House. In the first place, it is necessary to examine briefly the real nature of the current and next year's deficit. Can it be said that the present emergency is similar to that which Sir William Meyer had to face in preparing his budget for 1915-16? I hold that the answer to this must be in the negative. I do not think that it is possible to take up the position that these deficits are due to transient causes, that we can look for better times ahead and that we should consequently be justified in leaving things as they are, in the hope that before long our revenues will once more have equalled our expenditure. I must say frankly that I see very little prospect of any such equilibrium being attained within a measurable period. In saying this I do not mean to imply that either

the probable deficit of 34 crores in the current year or the estimated deficit of 31¾ crores next year is necessarily to be taken as a measure of the permanent gap between our expenditure and our revenues. I assume that, with the liquidation of our frontier commitments, that portion of our military charges which are classified as "abnormal" will disappear. I also assume that our revenues would respond to any substantial revival in trade, when the day of that revival dawns, as assuredly dawn it must. But after making every possible assumption of this nature, I do not think it can be said that, if things are left as they are, equilibrium will be attainable within a measurable time. It has, moreover, to be remembered that we have a certain loss of revenue in front of us, in respect of the gradual abolition of the provincial contributions. I have not overlooked the fact that the stabilisation of the rupee at 2s. would relieve our revenues to the extent of about 15 crores a year, but the House is in as good a position as I am to judge whether we should be justified in placing any reliance on this consummation. The problem, as I fear we must envisage it, is thus not one of carrying on until we have turned the corner, for the turning is nowhere visible.

How the deficits have been financed.

20. Secondly, it is necessary to examine briefly what a succession of deficits really means, and what are the results which it leads to. I will not embark on any theoretical discussion of financial ethics, but confine myself to actual facts. Including the deficit of the current year, during the past four years our expenditure (in using the word 'expenditure' I mean of course expenditure debitable to revenue, and not capital expenditure on such objects as Railways and Irrigation) has exceeded our revenue by a total amount of 90 crores. Where did this money come from? The short answer is that we have been living on credit. About 37 crores have been obtained by the issue of fiduciary currency notes, namely, notes the only backing of which are our own I.O.U's. A further 47 crores will have been found by incurring floating debt in the shape of treasury bills, while the remaining 6 crores will have been taken from the proceeds of our regular annual borrowings. Our Treasury bills consist of short term bills (mostly for 3, 6 or 9 months) which we have so far managed to renew on maturity. But it is an open fact we have only succeeded in doing this by virtue of the recent stagnation of trade and consequent plethora of bank money; it is

very doubtful if on any real revival of trade we should be able to keep "floating" an amount of treasury bills on anything like the present scale. A treasury bill outstanding in the neighbourhood of 60, or even of 40, crores is, as I have more than once pointed out, a matter for great anxiety, seeing that at any time, with the appearance of other demands upon the discount market, such as a revival of trade or an acute monetary position, our sales might not cover our maturities and we should then have no alternative, if we were not to dishonour our bills, but to make a further large fiduciary issue of currency notes. During the past month or two we have, in fact, had a preliminary warning as to the insecurity of our position; a sudden tightening of money in Bombay led for a time to distinct embarrassment; in spite of our giving very much more favourable terms for our treasury bills we found great difficulty in meeting our requirements and were obliged as a temporary measure to re-issue a substantial amount of currency notes which we had cancelled during the preceding months. And of course the dependence of Government upon the money market, to supply it on credit with funds to meet the gap between incomings and outgoings, itself reacts strongly upon the supply of money available for trade, thus setting up a vicious circle. To escape from that circle is one of the most pressing problems before us.

Not practicable to continue financing deficits on the present scale.

21. What then is the inevitable conclusion to which these considerations lead? Putting aside all theoretical considerations of principle and of sound financial policy, the financing of a further deficit next year of an amount anything like the 31¾ crores estimated is simply not a practicable proposition. I should be much mistaken if we have not already reached the limit of safety. To attempt to increase our floating debt beyond the figure at which it is likely to stand on April 1st next would be to invite not only grave monetary stringency, but possibly even a severe crisis. To raid the Gold Standard Reserve, which has been built up for an entirely different purpose, would be merely putting off the evil day, and would be an expedient which could be adopted only as a last resort and even then purely as a temporary measure. To rely on the proceeds of our annual rupee or sterling loans to finance our deficits would, as I shall show later in my speech, be equally impracticable, seeing that we shall fully need the whole of these for financing our existing capital liabilities and productive

expenditure on our railways. The inevitable result, in short, of any attempt to finance a deficit of this size would, in my opinion, be to force us to large issues of unbacked currency notes, and I am sure the House will agree with me that the effect of such inflation upon the general level of prices in this country, and upon our general credit, would be very serious. My conclusion then is, and I state it with perfect confidence, that the problem before us is one that cannot be shelved or left to look after itself. It is a problem which has to be faced, and it is my duty to ask this House and the country, whatever their opinion may be of the particular proposals that we are making, to join with us in facing it.

(2) Reduction in expenditure.

22. How far can we reduce the deficit by cutting down our expenditure? I have already indicated the difficulties which we have encountered in regard to our largest spending department, the army. I have told the House that as regards the civil departments we have cut out all new expenditure which cannot be proved to be of imperative necessity. I do not claim that further reductions are impossible; as the House knows, we are committed to an enquiry into the steps necessary to effect retrenchment, even if that results in curtailing departmental activities. We have agreed to accede to the desire of the Assembly for the appointment of a Committee of retrenchment, and an announcement will shortly be made on the subject. But the field of civil expenditure over which that enquiry can range is small; it does not extend to more than 20 crores; and though retrenchment may and no doubt will be effected, it could have but a minor effect in restoring the balance. In any case a Finance Member must frame his budget not on what he hopes may be effected in the future, but on the basis of the expenditure now actually being incurred.

Possibility of transferring expenditure from revenue to capital.

23. I have sometimes heard it asked why we cannot simplify to some extent our financial problem by taking to capital certain of the expenditure which is at present debitable to revenue. Why, it is urged, should the present generation have to pay for expenditure on public works or other objects, which have a permanent or semi-permanent life, such as civil buildings, roads and bridges on the frontier, new barracks, etc., or, again, on stores and material used in our commercial departments, such as the Posts and Telegraphs? This contention is to a large extent met by the facts that the

present estimates make practically no provision at all for new civil buildings, that the construction of Delhi and capital expenditure on railways are already met from capital funds, and that we are already providing for the debit to loan funds of expenditure on stores and material for our Telegraphs. It is, however, quite unnecessary to discuss this question at any length, for, in point of fact, whatever may be the division in our accounts as between capital and revenue, we are unfortunately already meeting a large proportion of our annual expenditure from borrowed funds. The figures which I have already given show that we have been doing this on a very large scale, far in excess of what by any stretch of reasoning could be described as real capital expenditure. To reduce our revenue deficit by a mere stroke of the pen would not in any way affect or cover up the actual position.

(3) Increase of revenue.

24. If I have carried the House with me so far, I have established two propositions. The first is a two-fold one, namely, that the country cannot, if it has any regard for its credit or any thought for its future solvency, take refuge in the simple course of leaving the whole or even the greater part of this deficit uncovered, and further, that quite apart from such considerations, it would not be a practicable proposition to do so, even if we tried. Secondly, however successful our efforts may be in reducing our expenditure, and imperative though it is that we should make the attempt, it is out of the question to expect any relief from this source to be on such a substantial scale as materially to reduce the excess of expenditure over revenues. I submit therefore that there is no escape from the conclusion that it is imperative to take every possible step to increase our revenues. We can do this in two ways; firstly, by ensuring that our commercial departments shall at any rate not be a burden upon the taxpayer, and shall if possible yield a profit; secondly, by increasing taxation. As regards the first method, I have already indicated that we propose to increase the railway receipts to the extent of about 6 crores by an increase in passenger fares. There remains the Post and Telegraph department. It is not possible to increase the telegraph charges, which are already on the high side, and indeed that branch of the department more than pays its way. We are, however, as I have already shown, losing heavily on the combined Post and Telegraph department. Last year we invited the legislature to agree to certain measures for increasing

Necessity for increasing postal rates.

our postal receipts. The most important of these, namely, the doubling of the postcard rate and the raising of the minimum charge for inland letters from half an anna to one anna, were not accepted. The increases agreed to were by comparison of minor value and are only expected to produce 35 lakhs in the current year. Hon'ble Members will recollect the circumstances which led, by a compromise, to the adoption of a nine pie rate for letters exceeding half a tola in weight. I understand that the increased revenue from this source has been very small, not more than 10 lakhs; it has also led to many administrative difficulties in the matter of weighing letters and collecting over-charges, so much so that I am told that the collection of over-charges is not worth the revenue obtained, and altogether the inconvenience that has been caused to the public has not been commensurate with the gain to the exchequer. We shall now ask the legislature to reconsider the position which it took up last year. I admit now, as I admitted then, the enormous advantage to a country of a cheap postal service nor do I underestimate in any way the strong sentimental attachment that must exist to the pice postcard. My reply to such considerations, now as then, is financial necessity; with the enormous increase in the cost of working that has occurred in recent years the country cannot afford to maintain a postal service at the present cheap rates. We propose therefore to raise to half-an-anna the quarter anna postcard, and secondly, to abolish the half anna and 9 pie rates for letters, making the charges in future one anna for letters not exceeding 2½ tolas in weight, and one anna for every additional 2½ tolas. We estimate that the increased revenue obtainable from these measures will be 1,60 lakhs. I may point out that, even after these charges, we shall still on the whole have the cheapest postal service in the world.

These two measures, namely, the increase in railway passenger fares and the increase in postal rates, will represent a total increased revenue of 7,60 lakhs, reducing our estimated deficit from 31 crores 76 lakhs to 24 crores 16 lakhs. I now turn to the further measures which we consider that the financial position of the country renders imperative.

PROPOSALS FOR ADDITIONAL TAXATION.

25. The problem of how to raise a large amount of additional revenue through increased taxation, with the minimum of hardship to the taxpayer and

the minimum of disturbance to trade and commerce has, I need hardly say, been the subject of anxious consideration for some time. The burden which the country is now invited to shoulder is a heavy one; we have done our best to distribute it as equitably as possible and to see that all classes of the community shall contribute, each according to its capacity. When additional revenues are required, the first head to which one's thought naturally turns is Customs. Here, we are at once confronted with the fact that a Fiscal Commission is now sitting, and if the needs of our revenues were not so urgent, we should have preferred to await the conclusion of that Commission's deliberations before proposing any further alteration of the tariff. Any such postponement is, however, impossible. Whatever opinions may be held on the various important issues that the Fiscal Commission is now considering, and whatever decision may be ultimately arrived at on its report, there is no escaping the conclusion that the pressure of financial necessity must in any case inevitably involve the raising of our customs duties, purely for revenue producing purposes, irrespective of what the effect may be in the case of any particular tariff head in the direction of protection, Imperial preference, or free trade. In framing our proposals, we have, however, endeavoured to preserve to the greatest possible extent the general character of the present tariff and the general relation *inter se* of the various duties; in other words, we have endeavoured to limit our proposals in such a way as not to involve any important change of principle in the existing fiscal arrangements.

Customs.

No pre-judging of Fiscal Commission's Report.

26. (*i*) The vast majority of customs duties necessarily fall upon the consumer, and the general character of the proposals which I am about to mention is, therefore, that of a tax on consumption. We propose to raise to 15 per cent. the import duty on all articles now assessed to 11 per cent. But since one of the most important articles, both of import and of consumption, is piecegoods, we propose that the consumption of piecegoods in this country should be taxed by a further 4 per cent., that is to say, we would raise the cotton excise duty from $3\frac{1}{2}$ to $7\frac{1}{2}$ per cent., The combined effect of these two measures is estimated to bring in an increased revenue of 5,45 lakhs. We have not, of course, overlooked the contentious history of the cotton excise duty, but after the account that I have given this morning of our financial necessities, and after what I have just

Details of customs proposals.

said regarding the raising of the general *ad valorem* duty I do not think that even the most malignant of our critics can accuse us of raising the cotton excise duty for the purpose of counterbalancing the import duty on foreign manufactures.

(*ii*) The present import duty on machinery, iron and steel, and railway material, is only 2½ per cent. We propose to raise this to 10 per cent., yielding an extra revenue of 4,05 lakhs.

(*iii*) We consider that the trade in foreign sugar can, and should, bear an increase of duty, and we propose to raise the present import duty from 15 to 25 per cent., yielding an extra revenue of 2 crores.

(*iv*) We propose to raise the specific duty of 12 annas per gross boxes of matches to Rs. 1-8 per gross boxes, yielding an estimated additional revenue of 95 lakhs.

(*v*) We propose to impose an excise duty of 1 anna per gallon on kerosene produced in India, with a corresponding increase in the duty on imported petroleum, namely, from 1½ annas to 2½ annas per gallon, the extra revenue from which measures will be 90 lakhs.

(*vi*) Last March we joined many Hon'ble Members in resisting in this House a proposal to remove yarn from the free list. We feel that the arguments then used must now yield to our financial necessities, and we propose to ask the House to agree to an import duty of 5 per cent. on imported yarn, yielding a revenue of half a crore.

(*vii*) The imports of articles which are assessed at the highest rate of tariff, namely, 20 per cent., have, during the greater part of this year, been very disappointing. I do not think, however, that this decrease can fairly be attributed to the new duty imposed last March, but rather to the very excessive imports, and consequent over-stocking, of the previous year. More recently, the imports of these articles have sensibly increased. We consider that the rate of duty can now be increased from 20 to 30 per cent., yielding an extra revenue of 75 lakhs.

(*viii*) As regards alcoholic liquors, the customs returns show that any attempt to increase the import duty on wines would almost certainly result in an actual loss of revenue, but as regards ale and beer, liqueurs and spirits, although we should have preferred to have waited another year before raising the duties further, we cannot afford to neglect any possible increase of revenue in the

coming year, however small. Moreover, when we are proposing heavy additional taxation, affecting many necessaries of life, we think it is all the more imperative to take from alcohol the maximum revenue possible. We accordingly propose an increase of approximately 20 per cent. in the duties on all alcoholic liquors, except wines, yielding an extra revenue of 30 lakhs.

The actual increases proposed are as follows:—

	Present rate of duty.	Proposed rate.
Ale, beer, porter, cider and other fermented liquors, per gallon.	6½ annas.	8 annas.
Perfumed spirits, per gallon	Rs. 30 0 0	Rs. 36 0 0
Liqueurs, untested per gallon	Rs. 25 0 0	Rs. 30 0 0
Liqueurs, tested, per proof gallon ...	Rs. 18 12 0	Rs. 21 14 0
All other spirits, per proof gallon ...	Rs. 18 12 0	Rs. 21 14 0

No change is proposed in the duty on denatured spirits.

As regards tobacco, we do not think that for the present, having regard to the great decrease in consumption, any further increase in duty is possible without actual detriment to the revenue.

The total increased revenue obtainable next year from the increases in customs, which I have now mentioned, is estimated at 14,90 lakhs. Full details will be found in the Schedule to the Finance Bill which I shall ask your permission, Sir, to introduce this morning. The extra revenue during the current month is likely to be 80 lakhs.

Income-tax and super-tax.

27. These measures will still leave an uncovered deficit of about 9¼ crores. We feel it necessary to make a further call on the payers of income-tax and super-tax. We do not propose, however, to effect any alteration in the rate of tax payable by persons whose incomes do not exceed Rs. 30,000 a year. Indeed an increase in those rates, even by a substantial amount, would not be likely to produce any large increase in revenue, seeing that most of our income-tax revenue comes from assessments made at the highest rate. We propose to raise the rate on incomes between Rs. 30,000 and Rs. 40,000 from 14 to

15 pies, and on incomes above Rs. 40,000 from 16 to 18 pies. As regards super-tax, we propose to re-grade the higher rates, working up in the manner shown in the Schedule to the Finance Bill to the highest rate of 6 annas as against the existing highest rate of 4 annas. The combined effect of these two measures is estimated to produce an extra revenue of $2\frac{1}{4}$ crores.

28. Finally, we consider that the present emergency is such that there is now no alternative but to increase the salt duty, which has always been regarded as our ultimate reserve. We propose to increase the duty from Rs. 1-4 to Rs. 2-8 a maund. The present consumption of salt in India works out at about 6 seers per head of population. The increase of Rs. 1-4 per maund will, therefore, represent 3 annas per head per annum, or, let us say, 12 annas per annum for each household of four. It cannot surely be maintained that this will be felt appreciably by even the poorest classes. The extra revenue is estimated at 5 crores a year, but in the first year, owing to the existence of the credit system of sales, is not likely to exceed 4,30 lakhs. As in the case of the increased Customs duties the increase in the salt duty will come into force from to-day, and the extra revenue in the current month is estimated at 20 lakhs. Salt.

29. The total extra revenue obtainable from the measures which I have mentioned to-day is estimated at slightly over 29 crores next year and at 1 crore in the current year. The uncovered deficit will therefore be $2\frac{3}{4}$ crores, together with the indeterminate liability to which I have already alluded in regard to Waziristan. Financial considerations by themselves would involve the imposition of a further taxation of at least 3 crores in order that we might fully establish equilibrium. After very careful consideration, however, we do not feel justified in asking the legislature to agree to the imposition of additional taxation beyond that which I have already mentioned. But the existence of any uncovered deficit is in present circumstances, a matter for anxiety; and we can only hope that by a combination of strict economy in every direction, together with an expansion of our revenues by a steady revival in trade, we shall before long arrive at a position of equilibrium, for I must warn the House that unless equilibrium between revenue and expenditure is arrived at in the near future, the financial position and credit of this country will inevitably suffer a rapid deterioration.

WAYS AND MEANS.

30. I have had a good deal to say to the House this morning regarding the state of the ordinary revenues of the country and the expenditure which is debitable to our revenue account. I must now turn to that part of our financial administration generally known as "Ways and Means." I know that some people are inclined to fight a little shy of ways and means matters because of the technicalities which are inseparable from the subject. But on this occasion I must invite Hon'ble Members to give their particular attention to the main facts regarding our ways and means operations in the current and coming years, for there is this year more than the usual connection between our revenue and our ways and means accounts. In the days of many of my more fortunate predecessors the existence of substantial revenue surpluses was frequently relied on to supply funds for financing our capital liabilities. There was much to be said for that cautious and conservative policy, which aimed at limiting strictly the amount of our borrowing and thus undoubtedly helped to place India's financial credit in the high position which it occupied. There was however something to be said on the other side, and there must be many here who remember Mr. Gokhale's trenchant criticisms of continued large surpluses which should, he contended, have been devoted primarily to the relief of taxation. During more recent years, however, we have unfortunately seen the other side of the picture, and I have already portrayed something of the difficulties which my Department has encountered in finding the actual cash to finance a series of revenue deficits. Indeed, it is because we are now obviously approaching the end of our resources as regards financing deficits that we have felt obliged, quite apart from all other considerations, to ask the House to agree to drastic measures in order to attempt to bridge the gulf between our revenue and our expenditure. I have shown that during the past four years we have had to find resources amounting to no less than 90 crores in respect of revenue deficits, including no less than 34 crores in the current year. In speaking of next year's deficit I have already emphasised the grave dangers involved by our attempting to continue to live on our credit in order to meet current expenditure. The facts and figures which I shall now give the House will show how this liability has handicapped us in our ways and means operations, has

Effect on Ways and Means of revenue deficits.

forced us to borrow large sums at high rates of interest, and has prevented us from reducing the dangerously high amount of our floating debt.

31. I will first give the House a brief description of the other capital liabilities, besides this deficit, that we have had to meet, and of those which we expect to have to finance during the coming year.

Summary of operations in current and next year.

[In crores of Rs.]

	Budget for 1921 1922	1922. 1923.
Liabilities.		
(*i*) Drawings of and loans to Provincial Governments	12·2	9·8
(*ii*) Railway capital outlay ...	23·0	30·0
(*iii*) Delhi and Telegraph capital outlay.	2·7	3·5
(*iv*) Discharge of debt	19·2	7·9
(*v*) Revenue deficit	33·0	2·7
(*vi*) Net discharge of Treasury bills issued to the public	...	4·0
	90·1	5·79
Met as follows:—		
(*a*) Rupee loan	49·2	25·0
(*b*) Sterling loan (converted at 1*s.* 4*d.*).	23·0	26·4
(*c*) Increase in Treasury bills issued to the public	2·8	...
(*d*) Credits from exchange	5·7	1·7
(*e*) Arrear recoveries from Mesopotamian Government	8·0	...
(*f*) Reduction of cash balances ...	2·1	1·1
(*g*) Net receipts from Savings Bank deposits and Cash Certificates ...	2·3	3·1
(*h*) Other items	—3·0	·6
	90·1	57·9

Current year.

32. This shows we have had to meet liabilities of 90 crores in the current year, and that more than one-third thereof has been due to the revenue deficit. The Provincial Governments too have had their difficulties and have had to rely to a large extent (no less than 12¼ crores) on us to finance their deficits and capital expenditure, either by actually borrowing from us or by drawing on what is left of their balances with the

Central Government. Altogether then, the financing of deficits, Central and Provincial combined, will account for over 45 crores, or more than half the total capital liabilities of the year. For the rest, 19¼ crores is represented by the discharge of our War Bonds, and the remainder by capital outlay on Railways, Delhi, and Telegraphs. In order to meet these large liabilities we have had, in the first place, sundry assets and receipts, amounting to 15 crores, which I need not specify individually. To meet the remainder we have had to raise rupee and sterling loans to an extent considerably greater than we had budgeted for. It will be seen that in India and London combined we have raised no less than 72¼ crores of rupees in new loans. That of course is a very large sum to raise, and we have only been able to do so partly because of the stagnation of trade in this country, which made Government securities almost the only available means of investment, and partly because of distinctly favourable conditions in the London money market. Finally, as a result of our heavy liabilities to finance deficits, we have been quite unable to effect any reduction in our floating debt; on the contrary, there will, we anticipate, be an increase of about 2¾ crores in the amount of treasury bills outstanding with the public at the end of the year.

Next year's liabilities.

33. As regards next year, we hope that if the House will second our efforts to increase our ordinary revenues we shall not have such a large sum to find in order to finance revenue deficits, though, apart from the Central Government's deficit of 2¾ crores, we have been warned that we may have to find nearly 10 crores, in the shape either of advances to Provincial Governments to enable them to carry on, or of drawings on their balances by such Provinces as will have any balances left. We have to find nearly 8 crores for the repayment of 1922 War Bonds, some 1½ crores in respect of capital outlay on the Telegraph Department and 2 crores for expenditure on the new capital at Delhi, for this House has already decided that, if only in the interests of economy, it is desirable that this work should be completed as soon as possible, and 2 crores is the total amount which the engineers expect to be able to spend in the year. We are also budgeting for a reduction of 4 crores in the outstandings of treasury bills with the public; I have already said sufficient on this matter to indicate the imperative necessity of our not allowing our floating debt to remain at the present

dangerously high level. There remains only the provision of 30 crores for capital expenditure on Railways, as against 23 crores that we expect to spend in the current year. My Hon'ble Colleague in charge of the Railway Department will, I understand, bring before the House in the current session the recommendations made by the Committee of the two Houses of the Legislature which met in December last to consider the question of our Railway capital programme. I will not anticipate here the discussion which will no doubt then take place. All I will say is that, great as are the liabilities thrown upon our ways and means resources in other directions, it would in my opinion be a short-sighted policy, and detrimental to the trade and prosperity of the country, if we hesitated to take all possible steps to restore our railway lines to the condition demanded by the travelling public and the country's trade. This 30 crores will be practically all devoted to the improvement of existing lines; there is no provision for any new construction, except a small amount, under 2 crores, for the completion of new lines already in progress.

Railway capital expenditure.

34. Apart from certain miscellaneous receipts, such as savings bank deposits, we must rely entirely upon our borrowings in order to finance this liability. For the purpose of these estimates we have entered a rupee borrowing of Rs. 25 crores and a sterling borrowing of £17½ millions, the latter figure being inclusive of about £2 million which will be realised next year out of the sterling loan of £10 millions floated in December last. We thus anticipate next year a total borrowing of 51½ crores, though we do not of course bind ourselves to distribute our borrowings as between India and England in the particular proportion I have mentioned; this must depend upon market conditions during the year. As the House is probably aware, it is by no means certain that the recent favourable conditions as regards sterling borrowing may continue throughout next year. Hitherto, Indian sterling stock has occupied a very high place among what are known as gilt-edged securities. For the first time for very many years, Indian securities recently had a sudden, but fortunately only temporary set back in popularity owing to apprehensions felt in the United Kingdom regarding the internal situation in this country. Brief as was the period of depression, the incident nevertheless carries its own warning, and I feel that it would be unsafe to

How to be met.

count on a total borrowing, in rupees and sterling combined, larger than that for which we have taken credit. As regards rupee borrowing there are, moreover, two considerations to be borne in mind. In the first place we must remember that any appreciable revival in trade must inevitably lead to other channels of investment for those people who during the past two years have subscribed to our loans. Secondly, several of the Provincial Governments will themselves be entering the market, one of them at all events to a very substantial extent. Altogether, if we look ahead for the next few years, we have to remember that our essential capital liabilities, namely, the provision of an adequate railway programme and the repayment of our short-term bonds, represent a total sum which will strain our borrowing capacity to the utmost, and every serious thinker will I believe agree that to rely to any substantial extent on our annual borrowings to finance large revenue deficits and to provide us with funds for carrying on the ordinary day to day administration is out of the question.

Unsafe to rely on larger borrowings.

35. So far I have dealt with our ways and means position taking our balances in India and England together. It is now necessary, however, that I should give some explanation of the position at our Home Treasury, for, as the House will see, this is likely to have an important bearing upon our general currency and exchange arrangements. In normal times the usual procedure for keeping the Home Treasury in funds is for the Secretary of State to sell Council Bills upon India. No Council Bills have however been sold since 1919, the reason being that there has been no trade demand for them, while the Secretary of State has been able to keep himself in funds by recoveries made by him from the Home Government in respect of expenditure incurred by us on their behalf in India and Mesopotamia, this operating, in effect, as a remittance from us to the Secretary of State. In one financial year, namely, 1918-19 our recoveries from the Home Government were no less than £92 millions. Since then owing to the closing down of the Mesopotamian operations and the gradual disbandment of the additional troops that had been raised during the war for service overseas these recoveries have greatly diminished, and during the current year, we only expect the Secretary of State to recover about £25 millions, while during next year we do not expect that he will recover more than £9½

Problem of keeping the Secretary of State in funds

millions. His total liabilities, including the ordinary home charges, together with about £18½ millions on account of purchases in Europe of railway material and stock, are expected to amount to about £52¼ millions. There is therefore a substantial deficit in his resources. How is that to be supplied? I have already mentioned that he hopes to obtain about £17½ millions from sterling borrowings. Assuming that he will succeed in raising this large amount, there will still remain a gap of £18 millions, which will have to be covered by a transfer of funds from India to England. Now there are only two possible ways of making this remittance; the Secretary of State must draw on us, either through the sterling reserves or by the sale of Council Bills. It is necessary that I say a few words about each of these methods of remitting funds to him.

Two possible methods.

36. As regards the former, namely, the transfer of our sterling reserves from England to India, there will be in England at the beginning of the financial year about £5¾ millions of the Paper Currency Reserve and £40 millions in the Gold Standard Reserve. Both of these are held mainly in the form of British Treasury Bills, which are readily convertible into cash. The Secretary of State can therefore, to the extent of his requirements, draw on those reserves, provided of course (and the House will soon see that the proviso is an important one) that we earmark the necessary funds in India for credit to those reserves, the net result being a transfer of the reserves from England to India. In the case of the Paper Currency Reserve we should at this end cancel notes to an amount equivalent of the British Treasury Bills sold out by him, thus reducing the circulation to that extent. In the case of the Gold Standard Reserve we should have to earmark funds for credit to that reserve in India; we propose to do this by earmarking gold, *i.e.*, we should transfer gold from the Paper Currency Reserve, which contains £24 millions, in sovereigns and gold bullion, to the Gold Standard Reserve. But here again, in order to be able to make this transfer, we should of course have to make equivalent payments to the Currency Reserve, and thus cancel notes to the necessary extent. So, whether the Secretary of State draws through the Paper Currency Reserve or through the Gold Standard Reserve, the net result is a cancellation of notes in this country. That is the operation generally known as "deflation", and I use the word for the reason that this is the actual effect

(1) By transfer of sterling reserves to India.

Which will necessitate corresponding deflation in India.

of such drawings, and not because we consider that circumstances justify a policy of deflation on its own merits. But when one looks at this matter practically the question at once arises, whether we could in fact effect cancellation to the necessary extent. I must point out moreover that deflation in order to put the Secretary of State in funds does not represent the whole of the cancellation necessary, seeing that under the Paper Currency Act we are bound to apply the interest on our Paper Currency Reserve investments to the cancellation of notes issued against our *ad hoc* securities in India, and further, we have also undertaken to apply to the same purpose any excess in the Gold Standard Reserve over and above the figure of £40 millions. The deflation in respect of these two items will amount next year to about 6 crores, and when added to the deflation necessary on our present estimates to put the Secretary of State in funds, represent a total sum of 33 crores. I have only to mention this amount for the House to judge of the practicability of cancelling 33 crores of notes out of a total circulation of about 1,70 crores. I need not elaborate this point, for it is one which all bankers and financiers, and indeed most business men will at once appreciate. Every crore of notes cancelled by us means a withdrawal of a crore of notes from the money markets, with a proportionate tightening of money. By cancelling notes at judiciously chosen opportunities we hope to be able to provide some portion of the Secretary of State's requirements in the coming year in this manner; and of course deflation, if carried out with caution and with due regard to the legitimate needs of trade, has, as the economists tell us, a valuable effect in reducing the general level of internal prices. But, as recent experience in other countries has shown, there is an obvious limit to which we can or should go in this direction, and we recognise fully the responsibility on us not to go too far, or to produce such a sudden or rapid stringency as might lead to a dangerously acute position.

Danger of attempting too much deflation.

37. If the House has followed me in my remarks regarding the possibilities of deflation, it will be clear to it that to the extent to which our deflation falls short of the amount which we at present estimate as necessary to keep the Secretary of State in funds, it will be necessary for him to sell Council Bills. We have not entered any figure in the estimates for a remittance through Council Bills, and have for the present shown

(2) By sale of Council Bills.

the whole remittance as effected through the sterling reserves, but of course we hold ourselves free, should circumstances require and the state of the exchange market permit, to make remittances by Councils. Further, the facts and figures which I have given to the House must dispose of any apprehension that the business community in India may still feel as regards the Secretary of State's unlimited powers to force up exchange to the two shilling level.

THE FINANCES OF THE PROVINCES.

38. Now that the provincial Governments have almost complete financial autonomy, it would ordinarily be unnecessary for me to make any reference to their financial operations. What I have already said, however, regarding the difficulties in which the provinces now find themselves, and their effect upon our general ways and means operations, makes it desirable that I should make a few observations on the all-India position. A few facts will suffice to show the general position in the provinces. At the beginning of the current year the total provincial balances were expected 16·16 crores, while at the end of next year the aggregate balances are expected to be only 5½ crores, even after allowing both for the various loans which several provincial Governments have raised or will have raised, during the two years, and also for the proceeds of extra taxation which several provinces are imposing for their own purposes. Further, there is not a single province which, according to our present information, is not budgeting for a deficit next year. I am not in a position to give full figures, because several provincial budgets have not yet been presented, but the House may take it as reasonably correct when I say that, taking the provinces as a whole, their expenditure next year (omitting of course expenditure of a capital nature which will be defrayed from loan funds) will exceed their revenues by an amount of about 8 crores. Several of the provinces will by the end of the current year have already exhausted the balances which we keep for them as their bankers, and at least one of the major provinces will have to take a substantial advance from us merely in order to carry on. The position of the Central Government's own finances, as I have endeavoured to explain to the House this morning, shows that there can be no question of our attempting to reduce the provincial contributions of 9¼ crores in the immediate future. To do so would merely increase our

Exhaustion of provincial balances.

Problem an all-India one.

own uncovered deficit, and the net result would be exactly the same whichever course we adopted, for, whether the all-India deficit be regarded as completely central, or partly central and partly provincial, it will have to be financed mainly on the credit of the Central Government. The problem, therefore, is really an all-India one. The great difficulties in which most of the provinces find themselves have led in many cases to requests in non-official quarters that what is known as the Meston Settlement should be revised. I am not quite sure how far such requests are put forward with the object of obtaining a different distribution of the total contributions between the provinces, or merely represent requests for the acceleration of the abolition of the contributions. I must, however, point out that any attempt to wipe the Meston Settlement off the state might have a very different result from what is sometimes anticipated. Lord Meston's Committee worked on our assumption that the deficit of the Central Government at the initiation of the Reforms, to be made good from contributions from the Provinces, would be 9,83 lakhs. Now, that figure was arrived at upon various assumptions, two of which were of great importance. The first was the 2 shilling rate of exchange; the second a military budget of 43 crores. The non-realisations of the first assumption means, on the present figures of our Home charges, a difference to us of no less than 15½ crores a year. As for the military budget, although the strength of the Army is not greater (it is indeed somewhat less) than the pre-war strength, the cost is some 20 crores higher than the 43 crores we assumed. I would ask, therefore, those who desire to see that settlement upset, to consider whether an impartial committee, now arriving in India to effect a new settlement, might not take a very different view as to the amount of the contributions necessary from the provinces in order to enable the Central Government to discharge its fundamental duty of securing the country's defence, maintaining internal peace, and the service of the national debt.

Falsification of assumptions upon which present contributions are based.

39. Knowing, however, the difficulties which each Local Government has to face, we consider that the time has come when it is desirable for us to discuss the whole position with them in order that we may exchange ideas and learn something of each other's difficulties. We propose, therefore, as soon as convenient, to invite the financial officials of each Local Government to a conference, in order to discuss the general position as regards

the contributions and at the same time to take the opportunity of examining the problems which each province has to face in the matter of financing capital outlay on irrigation and other schemes for which the provinces are now responsible.

CONCLUSION.

40. And now, Sir, I can conclude my task. For us, for the Provincial Governments, for the country at large the year has been a difficult and disappointing one; nor is there yet any clear promise of an early lifting of the clouds which veil the horizon of our finances. We can only address ourselves with what determination we can command to the task of finding a solution for the urgent problems which immediately confront us. One fact, I think, stands out in prominence; the overwhelming importance to India's trade and exchange of world factors over which we have no control. Any attempt to devise remedies as if India were a separate entity, divorced from world conditions, would be doomed to failure. A second fact is also clear; that the world at large, and we also with other countries, have underestimated the period of convalescence necessary for recovery from the maladies of the war. I need not labour the point, for wherever you look, whether towards Central Europe, or to the United Kingdom, or even to America, it is now clear that the problems are so stupendous that recovery cannot be other than slow. But the conclusion seems to me equally clear. If our troubles are due to world causes, we must move in line with the best thinkers of the outside world in seeking the remedy; and the one solution which they can indicate for the difficulties in which State finance now everywhere finds itself, is the deliberate attempt at any cost and at any inconvenience to make revenue meet expenditure. India's financial credit has stood high with the world in past; if she is to maintain this, and if she is to make good what is of equal importance, her political credit with the world, she cannot afford to falter in applying the obvious and inevitable remedy which the situation demands.

W. M. HAILEY.

The 1st March 1922.

FINANCE BILL.

Extract from the Proceedings of a meeting of the Council of State held at Delhi on Wednesday, the 23rd March 1921.

THE HONOURABLE MR. A. H. FROOM: Sir, I should not like the members of this Council to imagine that because I am connected with ships that go across the sea I immediately rush in and support an amendment in favour of ships that go up a river. When the increased surcharge on the freights of the railways in India was introduced, I must confess that until it was explained to me I did not fully realise the effect of its application to the river steam companies, and I cannot help thinking that the Government did not either. The Honourable Sir Alexander Murray has explained what can only be described as a very grievous wrong to the river steamer companies, and I feel sure that the Finance Department will welcome this amendment of my Honourable friend so that they may have an opportunity of putting right what I have described as a grievous wrong, with very little delay. I feel so keenly about this whole question that I am rather sorry that my Honourable friend had suggested a half way house in his amendment. But at all times I hope that the Government will recognise that the members of this Council are reasonable, and I think it must be with that idea in his mind that my Honourable friend has suggested these half measures. I hope that the members of this Council have followed Sir Alexander Murray closely in his speech because at the outset this question seems a little intricate. You all know that for 4 or 5 years wages have been going up and up and up, and Government sit on the top of the river companies and give them no chance of taking a little additional revenue to meet these increased charges. In fact, they take some of the money that the river steamer companies should be allowed to earn and indirectly put it into the pockets of their competitors of the river steamer companies, the railways. That is the point I want to drive home.

Perhaps I may make a further explanation. I discussed this matter outside the Council with one of my friends and I was countered by a remark.—'Well, there are lots of taxes which are disagreeable and several which are unfair. Take, for instance, the excise tax on the mill industries.' But the point is that the Government are not running a mill side by side and in competition with

those they are taxing. In the case of the river steamers they are running in opposition by means of the railways and they sit on the top of the river steamer companies and prevent them from expanding their revenue to meet increased expenditure. As I have said, I am a little astonished that my Honourable friend has proposed a half-way house. I feel so strongly about this tax that I feel quite sure that the Finance Department will welcome the amendment with open arms and thus at once be able to put right what is really a grievous hardship.

With these few words I support the amendment.

RESOLUTION *RE* ADDRESS OF WELCOME TO HIS ROYAL HIGHNESS THE PRINCE OF WALES.

Extract from the Proceedings of a meeting of the Council of State held at Simla on Monday, the 5th September 1921.

THE HONOURABLE MR. A. H. FROOM: Sir, it is already self-evident that this Resolution, which has been so ably moved by the Honourable Sir Maneckji Dadabhoy, will commend itself to this Council and be received with unbounded approval. I find it somewhat difficult to say anything further without repeating what has already been said by the other Honourable Members of this Council, but I feel that I should be failing in my duty to those in Bombay who sent me here if I did not add on their behalf an expression of entire approval of this Resolution. Bombay is fortunately situated inasmuch as she will be the first to extend to His Royal Highness the Prince of Wales the warm hand of welcome to India, and I can assure the Honourable Members of this Council that the rejoicings of Bombay will be unbounded and will not be exceeded in any other City or Presidency in this Empire.

There is one point, Sir, which has already been referred to by the Honourable Mover, and that is, I should like to draw the attention of the Members of this Council to the remarks uttered by His Excellency the Viceroy when addressing us together with the Members of the Legislative Assembly the other day, remarks which, I think, we should carry prominently before us and should repeat to the people who have elected us to this Council. I refer to what His Excellency said as to the visit of His

Royal Highness to this country being in no way associated with politics. How glad we shall be to drop politics on the great occasion! His Royal Highness is coming to India to make himself known to the Ruling Princes and the people of this country, and the welcome of the Indian Legislature to one, who has already so endeared himself to the peoples of the other parts of the Empire will, I feel sure, be wholeheartedly sincere, unstinted, and unboundedly enthusiastic. With these words, Sir, I heartily support the Resolution.

RESOLUTION *RE* WELCOME TO LORD READING ON HIS ASSUMPTION OF OFFICE.

Extract from the Proceedings of a meeting of the Council of State held at Simla on Monday, the 5th September 1921.

THE HONOURABLE MR. A. H. FROOM: Sir, I have much pleasure in supporting this Resolution. I have listened with great interest to the remarks which have fallen from the lips of my Honourable friend Sir Alexander Murray in recalling to the memory of the Members of this House the great services rendered to India by His Excellency when Ambassador at Washington. I have listened to those remarks with interest because a similar expression of gratitude was embodied in the address which I, when Chairman of the Bombay Chamber of Commerce, had the honour of presenting to His Excellency on his arrival in this country. I cannot help thinking that the recognition that Bengal also has not forgotten those services must be a source of gratification to His Excellency. I do not desire to detain the Council any longer with a speech on this subject, but I feel sure that all the members of this Council will accord their hearty support to this Resolution.

RESOLUTION *RE* CECIL RHODES SCHOLARSHIPS.

Extract from the Proceedings of a Meeting of the Council of State held at Simla on the 17th September 1921.

THE HONOURABLE MR. A. H. FROOM: Sir, I think that the Members of this Council will appreciate the feelings which prompted my Honourable friend Mr. Sethna to introduce this question of the allocation of a certain number of Rhodes Scholarships to students from India. In fact, the terms of the late Mr. Rhodes'

will seem to provide room for this. As already pointed out by Mr. Sethna, one of the clauses,—and I think I also may repeat the clause—reads :—

"No Student shall be qualified or disqualified for election to a scholarship on account of his race or religious opinions."

Unfortunately, I understand that the scholarships reserved for German students, which were withdrawn, soon after the outbreak of war, by special legislation in England, had already been allocated elsewhere, and they are not therefore available for students from this country. The Honourable Mr. Sethna in his Resolution appears to have anticipated this, for, as an alternative, he suggests that the Executors of Mr. Rhodes' will should create new scholarships for the benefit of Indian students. No doubt, Mr. Sethna has in view that the capital fund of the Rhodes scholarships must of necessity increase as time goes on, when deaths occur of certain beneficiaries under the will, but to my mind, the question presents itself as to whether it would be consistent with the dignity of this Council to accept the Resolution, which is in the nature of a supplication to the Trustees. In this will Mr. Cecil Rhodes allocated scholarships to many countries. The Honourable Mr. Sethna has referred to them, but I do not think I would be wearying the Council if I again enumerated them to show the ideas the late Mr. Cecil Rhodes had in his mind. In the Colonies, he included Rhodesia, the Provinces of South Africa; the States of the Commonwealth of Australia, Tasmania, New Zealand, the Provinces of the Dominion of Canada, the Island of Newfoundland and its dependencies, the Islands of Bermuda, and the Island of Jamaica. Then followed America, and lastly, according to a codicil in his will, Mr. Rhodes included Germany. India was not mentioned although I cannot help thinking with my friend Mr. Sethna that, had the late Mr. Cecil Rhodes been alive to-day (he died in 1902) and been able to follow the progress of India during the past 20 years, he would have included this country in the great benefits conferred under his will. The fact remains, however, that India was not mentioned, and for that reason, I would rather that the Trustees came forward and offered scholarships to Indian students, than that this Council should pass a Resolution applying for them. Therefore, while in entire agreement with the idea which prompted my Honourable friend to bring this question before the

Council, I venture to suggest that his wishes would be met if Government undertook to communicate with the Rhodes Trustees and expressed the feelings of the Members of the Council of State in the matter rather than that a Resolution should be adopted, which appears to me to be in the light of an appeal for participation in a privilege which might more appropriately be offered than asked for. There is another point, Sir. No doubt the debate on this question, which is one of absorbing interest, will be read widely throughout India: and it will not have been in vain if it stirs some patriotic citizen to come forward and found scholarships for Indians at either Oxford or Cambridge University.

It is not even necessary to be dead before creating a fund for such a noble purpose. The provision of a few scholarships on the lines of the Rhodes scholarships would not require a very large capital fund, and such Scholarships, in addition to immortalising the name of the donor, would provide an invaluable opportunity for a number of students :—unable themselves to afford a finishing education at either of the great Universities :— to acquire a broader knowledge of the affairs of the British Empire than can be learnt from students in this country alone.

Sir, my earlier remarks will have shown that I am in close sympathy with the ideas of the Honourable Mr. Sethna, but I consider it would be more appropriate to the standing of the Council of State if he would withdraw his Resolution, on Government undertaking to represent in the proper quarter at Home India's undoubted interests in any new allocation of the scholarships founded by the late Mr. Cecil Rhodes.

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The Honourable Mr. A. H. Froom: May I rise to make a personal explanation? In my remarks I did not suggest that no representation should be made by Government to the Trustees. I laid great stress that there should be, so that when the next allocation of scholarships comes before the Trustees, the claims of India may not be overlooked.

AMENDMENT OF STANDING ORDER No. 70.

Extract from the Proceedings of a meeting of the Council of State held at Simla on Monday, the 26th September 1922.

THE HONOURABLE MR. A. H. FROOM: Sir, I strongly support the Resolution of my friend, the Honourable

Mr. Kale. I do not wish to detain the House with any lengthy speech on this matter, nor do I wish—and I am quite sure that none of the Honourable Members of this Council wish—to infringe on the rights of the other Place. But I quite recollect that, when the Budget was introduced in Delhi last March, we, the Honourable Members of this Council, held an informal meeting to discuss its various points, and I think it would be much better that, instead of holding an informal meeting, we should have a regular meeting of this House. I think it would be much more consistent with the dignity of the Council. We do not propose to move any Resolutions in connection with the Budget, but merely to have a discussion in the House under your guidance, Sir.

RESOLUTION *RE* ADMINISTRATION OF ADEN BY THE GOVERNMENT OF INDIA.

Extract from the Proceedings of a meeting of the Council of State held at Simla on Monday, the 28th September 1922.

THE HONOURABLE MR. A. H. FROOM: Sir, being a commercial man I regard this question chiefly from the commercial point of view, but I am not unmindful of the great importance of Aden as a port on one of the most important sea-ways of the Empire. Its commercial importance arises from the fact that, since having been declared a free port in 1850, it has attracted most valuable trade between Aden and Arabia and Africa, formerly monopolised by certain Red Sea ports. This trade and others are chiefly in the hands of enterprising Indian merchants. Its total value in imports and exports amounted last year to some 17¾ crores of rupees.

The chief argument in favour of the retention of the administration of Aden by the Government of India—an administration by the way, which does not include political control—is that Indian merchants have acquired landed and house property in the Settlement, have built up such trade as Aden possesses and not unnaturally desire to remain under the Government of the country of their birth. This point I am ready to concede.

I think the Honourable Mover likened the relations of India and Aden to those of a happy married couple-a married couple which had lived happily together for something like 50 or 100 years.

The Honourable Mr. Phiroze C. Sethna: It was not my own: it originated with Mr. Winston Churchill.

The Honourable Mr. A. H. Froom: Oh! it originated with Mr. Winston Churchill. Well, I presume Aden would be regarded as the weaker vessel and therefore the wife—or one of the wives—of India. I cannot say that the husband has treated this particular wife very well. I would ask the merchants of Aden what have the Government of India-or the Government of Bombay-done to foster their trade, and what is Government likely to do to foster it in the future? The Indian Government has its hands full, more than full with the affairs of this country, and it is likely to have its hands full for many years to come with little or no spare time to divert to commercial interests of a small Settlement, some 1,600 miles away from Bombay. The Governor, or rather the Resident of Aden, has always been a soldier, necessarily, possibly, because of its strategical position, though I question this. But can we expect a General Officer, however, capable in the profession in which he has been trained, to dive into commercial problems, to help in the guidance of commercial enterprises, or to possess the special qualification for the civil administration which devolves entirely upon him without skilled civil advisers. The administrative apathy of the Aden Government is in striking contrast with the energy displayed by our French friends on the Western side of the Strait of Babelmandeb.

In the interests of the Aden merchants, I should like to see the Settlement transferred to the control of the Colonial Office. We have heard the Honourable Mover explain away the Resolution which was passed by the Aden Chamber of Commerce. I cannot understand why on that occasion, the meeting, which appears to have been one of the greatest importance for a period of many years, should have been so sparsely attended as the Honourable Mover suggests it was. I wish he had been able to give us the numbers. Anyhow they passed a Resolution proposing the transfer of Aden to the Colonial Office, and their reason for this sudden change of face is somewhat difficult to explain, unless it has been brought about by the discussion which has been very much in prominence recently as to the status of Indians in another country. As I have said, I should like to see the Settlement of Aden transferred to the control of the Colonial Office, raised to the dignity of a Colony and under the rule of a local Governor trained in the school

of Crown Colony Administration. In this way only shall we see Aden's commercial and political expansion. As pointed out by the Honourable Mr. Bray, Honourable Members are doubtless aware that the military control is subject to appreciable influence from the War Office, that the political control of Aden will greatly be influenced by the Middle East Department of the Colonial Office, and that the third control should be under the Government of India, can only introduce a lack of cohesion and co-operation between the various departments which would not arise if the whole of the administration of Aden were in the hands of the Home Government. A bright example of the progression of a settlement in the hands of a capable and vigorous administration is before us in Singapore which advanced by leaps and bounds in political and commercial importance under the guidance of successful civil and colonial Governors. I am in thorough accord with the Honourable Mover of the Resolution as regards the paramount importance of the Indian merchants at Aden. I am not aware that the interest of these merchants—in many cases the same houses—have suffered in British Somaliland since the administration of that territory was transferred from the Indian to the British Government, I think in 1898. The Honourable Mover and the Honourable Mr. Bray have referred to the assurances given by Government regarding the transfer of Aden. I will not therefore repeat those assurances. They have again been referred to in another place by the Honourable Dr. Sapru, and I think that the Members of this Council should feel satisfied with these oft-repeated assurances, assurances down on paper and reported several times.

In my opinion, it is desirable both in the interests of commercial development and of Imperial defence that Aden should pass to the control of the Home Government, and I am unable to support the Resolution before us.

At the same time I do not ask the Government of India to agree to any transfer which is not satisfactory to Indian interests generally and to commercial interests in particular. I should deprecate Government accepting heavy financial liabilities on the Indian Budget for an administration over which they have no control. Apart from the question of finance, there are many other considerations involved, particularly the present somewhat vaguely defined policy of the Middle East, and the

whole question of Aden appears to me to be one which might well wait until matters relating to Egypt, Arabia and the Gulf assumed a more settled aspect.

RESOLUTION *RE* INDEMNITY IN CASE OF LOSS OR FOUNDERING OF SHIPS.

Extract from the Proceedings of the Council of State held at Simla on Tuesday the 27th September 1921.

THE HONOURABLE MR. A. H. FROOM: Sir, I wish to say a few words in support of the Resolution moved by the Hon'ble Mr. Lindsay, and to state that I entirely agree with the views of Government that an unemployment indemnity in connection with lascars who have lost their ships would be a most difficult matter to deal with.

It would lend itself to endless disputes and it would be very difficult to determine whether the lascar, who lost his ship, really made a proper effort to find another vessel on which he could be employed.

I agree, though, that we might improve this situation in some way by a modification of the Indian Merchant Shipping Act. That Act, as the Hon'ble Mr. Lindsay explained, provides that when a ship is lost the wages of the seamen on that ship automatically cease. On the face of it,—perhaps to people not intimately acquainted with shipping—this may seem rather hard but it is an old law of shipping which has been in force for many, many years. In practice, however, the Shipping Companies with which I am connected pay the men up to the time they get back to their original port, and I think the most important Shipping Companies do the same, and I should be quite agreeable to the Shipping Act being amended so as to make that practice regular and compulsory.

I also have no objection to the compensation of one month's wages to the men for loss of personal effects, though I am not quite sure whether it is a good clause to put into this Resolution.

I have very little more to say, Sir, but I think the Council would like to know that the big Shipping Companies treat their lascars well and go beyond the terms of the Indian Merchant Shipping Act.

RESOLUTION *RE* FACILITIES FOR FINDING EMPLOYMENT FOR SEAMEN.

Extract from the Proceedings of a meeting of the Council of State held at Simla on Tuesday, the 27th September 1921.

THE HONOURABLE MR. A. H. FROOM: Sir, I should like to congratulate the Honourable Mr. Lindsay for the very lucid manner in which he has explained to this Council the custom in connection with the employment of Indian seamen and their life generally at sea. I have been connected with shipping in India for many years. and I do not think that I should be considered conceited if I were to say that I could not have explained the position better myself.

I quite agree that the system of shipping brokers and their agencies at ports of shipment is entirely suited to Indian seamen. They are a peculiar class. They go away on voyages for nine months or a year. Within a year they have to be repatriated; those are the terms of the articles. When they come back they draw their pay, which frequently amounts to a large sum of money. After their first month's advance, they usually refrain from drawing to any great extent at other ports. When they have spent their money in their homes upcountry they want another ship. The licensed shipping broker keeps in touch with the men. Sometimes the supply far exceeds the demand, and then the men come down to Bombay without any money, and get into the hands of boarding house owners, usually ghat serangs, and it is here the trouble begins, a trouble which we have often tried to solve, but, I must say, with little or no success.

The licensed shipping broker, I am quite convinced, does not squeeze the men. I do not think he takes any money from them. But the men who have come down to the seaport seeking employment are boarded and fed by certain Boarding Housekeepers and when they get a ship, the latter steps in, and takes their month's advance of wages to recompense himself for the cost of boarding and feeding; and I have no doubt that he adds a hundred per cent. That is where these men get squeezed. We have been trying to stop this, but it is very difficult. We have had conferences with the Shipping Master in Bombay.

I thoroughly believe that the system of licensed brokers is the best. I do not believe that a labour bureau would do half for the seamen that these licensed brokers

do. It is to the advantage of the licensed brokers to get men employed since he gets a commission from the Shipping Company. The men do not have to pay any commission at all.

I approve of this Resolution which suggests that an examination should be undertaken without delay of the methods of recruitment of seamen, and I think that it is the best way of dealing with this Convention which, I quite agree, this Council should not recommend to the Governor-General in Council for ratification.

MOTION REGARDING GRANT FOR THE APPOINTMENT OF A RAILWAY ENGINEER AND SAW EXPERT.

Extract from the Proceedings of a Meeting of the Bombay Legislative Council held at Bombay on Thursday the 3rd March 1921.

MR. H. P. W. MACNAGHTEN: Mr. President, with reference to the general remarks by the Honourable Minister in Charge of Forests, I would just like to say that a considerable experience in the matter of the conversion of timber enables me to assure this House that there is no work more important and expert than the conversion of timber in the exploitation of our forest resources. Dewan Bahadur Godbole appears to consider that this work could be done by an ordinary mechanical engineer that no experts from abroad are necessary. The Honourable Minister in Charge of Forests, however, is perfectly right in everything he has stated about the very great need of having experts of long experience. I concur with what he has said about transport facilities, but with regard to saw-milling the difficulty is still greater. There were at one time only two or three men in England capable of dealing with a buckled saw. I believe it is possible now to get hold of an expert, but he will not be a cheap man. Another exceedingly expert business is the actual conversion of the timber from the round to the square and the plank, and I think, the Council will be very ill-advised if it follows Dewan Bahadur Godbole's suggestion, namely, to entrust this work to an ordinary mechanical engineer.

Sir, we are here dealing not with the question of general expenditure, but with a question of an important business which must be handled on business principles,

and in the matter of forest resources we cannot hope to get revenue for a very long period of years without adequate expenditure both upon the administration and upon other works. We have to look forward to the future and if we are in the fortunate position of being able to debit the capital expenditure of the forests to revenue and yet show a good profit, I cannot see that it is necessary to follow the suggestion of Mr. Cowasji Jehangir and borrow money for the purpose.

Sir, we cannot afford to postpone the development of the forests for a year or two. Everything has to be kept ahead of time.

You must have your railways and saw-mills and bungalows kept up to date and the whole of the administration has to be maintained for the whole time or you will lose the revenue hereafter. You cannot make up for your neglect in one or two good years. I look forward to a time when the forest revenue will be much larger than it is to-day. We have made a profit of thirty-one lakhs over the expenditure of sixty lakhs. That ought to be enough to satisfy anyone. But I look forward to a still larger profit—a profit of fifty-lakhs on an expenditure of a hundred lakhs—and I think we can only do that by spending money in a business—like and economic way on the development of the resources of our forests.

MOTION REGARDING GRANT FOR MINISTERS' SALARIES.

Extract from the Proceedings of a meeting of the Bombay Legislative Council held at Bombay on Friday the 4th March 1921.

MR. H. P. W. MACNAGHTEN: Mr. President in rising to oppose this resolution I may say at once that I appreciate fully the difficulty of the members who have brought forward this resolution in finding a suitable standard for the salary of Ministers if we are to approach the question entirely *de novo*.

It is obviously purely a matter of degree whether you pay a man in the position of Minister Rs. 3,000. Rs. 4,000 or Rs. 5,000 a month and I can speak freely on the subject without fear of personalities: for I imagine that if there are two people in the world to whom this consideration is nothing it is the Ministers concerned to-day.

One of the Ministers who have been elected had literally the whole world at his feet as the result of his brilliant and distinguished university career; he preferred to sacrifice his prospects in order to serve his fellow countrymen for a few hundreds a month and in view of his career it must be absolutely immaterial to him whether he receives Rs. 3,000 or Rs. 8,000 a month. The other one, if I may refer to the Honourable Mr. Chunilal Mehta has given up a position in which he was quite as likely to make 64,000 in a week as in a year, and the pay of Rs. 3,000 or 5,000 a month can be of no possible consideration to him. But while it would be almost impossible to arrive at a standard if we have to fix it *de novo* we must look round to see if there is no standard already fixed which we can apply. The salary of Members of the Executive Council has been fixed at Rs. 64,000 a year and I consider that it would be entirely invidious and derogatory to the position of Ministers if they receive less than the salary which has been given by Statute to the Members of the Executive Council (hear, hear) and I hope this House will follow the view that we are not in a position to deal with it *de novo* and to decide for ourselves whether we are going to pay our Ministers Rs. 4,000 or Rs. 6,000 a month but that we have got a standard rate made and prepared for us and that it would be invidious in the highest degree to depart from that standard rate.

MOTION REGARDING GRANT FOR CLOTHING ALLOWANCE TO POLICE SERGEANTS.

Extract from the Proceedings of a meeting of the Bombay Legislative Council held at Bombay on Friday the 11th March 1921.

Mr. H. P. W. MACNAGHTEN: Mr. President, in opposing this motion, I have to say that I do not understand the argument of the proposer. He proposes that this allowance should wait over at a time when the cost of clothing is known to be particularly high and that it should be given in subsequent years when the cost will be less. That is an argument that I cannot follow in the least. The cost of clothing has been high, and we cannot have our police going in rags, and I sincerely hope that the House will grant this sum.

However, Sir, I see with a good deal of trepidation that this is an ultimate annual recurring expenditure, and the clothing allowance is to be increased considerably as a permanency in all grades. Now, it cannot have escaped the attention of Government that prices of cloth and textiles generally, I may say of all clothing materials, are rapidly falling the world over. As I understand, the only way of clothing the police is by an allowance, if you raise the clothing allowance once, it is a very difficult thing to reduce it again. I should vote for this item of Rs. 200,000 with very much more confidence, if it were intended to be a special allowance to meet the high cost of clothing this year, rather than as a permanent allowance which cannot be taken away when the price of clothing has fallen.

MOTION REGARDING GRANT FOR EXPENDITURE IN CONNECTION WITH THE GINNING FACTORY AT MIRPURKHAS.

Extract from the Proceedings of a meeting of the Bombay Legislative Council held at Bombay on Monday, the 14th March 1921.

Mr. H. P. W. MACNAGHTEN: Mr. President, I am afraid that the reply of the Honourable Minister in charge did not quite convince me as to the need of this gin. He did not make it perfectly clear whether this gin was established as a commercial proposition to gin any cotton that happened to come along, or whether it was a means of circulating seed of American cotton. It seems to me that they are two entirely different propositions. I share with the Honourable mover of this proposition the feeling that Government had better leave to commercial people the running of commercial concerns. I think it would be a pity for Government to go in very largely for competing with the owners of other gins. If, on the other hand, it is merely a means adopted by the Department of Agriculture for securing the purity of American cotton seed, and for keeping the control of the seed and the breeding of American cotton in their own hands, that puts the matter on an entirely different footing. I should like to have an explanation of what the position of this ginning factory actually is.

FORCED LABOUR IN BIJAPUR.

Extract from the Proceedings of a meeting of the Bombay Legislative Council held at Poona on Tuesday, the 28th July 1921.

Mr. G. B. TRIVEDI asked: Has the attention of the Government been drawn to the editorial headed "Forced Labour again" in the issue of the Bombay Chronicle of the 10th February 1921 reporting police high-handedness in the village of Mangoli in the Bijapur district? Will the Government be pleased to state whether they have made any enquiry in the matter! If the reply be in the affirmative will the Government be pleased to state what action they have taken or propose to take in the matter!

THE HONOURABLE Mr. M. H. W. HAYWARD: Yes. The comments which appeared in the Bombay Chronicle while the case was subjudice give an incorrect version of the facts which are stated in the judgment of the Sub-Divisional Magistrate, Bijapur, a copy of which is laid on the Council Table.

Mr. H. P. W. MACNAGHTEN: Sir, May I ask a supplementary question for further elucidating that answer? May I ask if it is not the intention of Government to take any action whatever with regard to the publication of an incorrect version of the facts at the time when the question was sub-judice?

THE HONOURABLE Mr. M. H. W. HAYWARD: I must ask for notice of this question.

RESOLUTION REGARDING LABOUR DISPUTES.

Extract from the Proceedings of a meeting of the Bombay Legislative Council held at Poona on Saturday, the 30th July 1921.

MR. H. P. W. MACNAGHTEN (Bombay Chamber of Commerce): Sir, in rising to support this resolution, I do so with certain reservations, because the constructive part of the proposals of the honourable mover of the resolution was not very audible from this end of the Council Hall.

Sir, I think we must all of us, accept absolutely the fact that strikes are disastrous, disastrous to capital, disastrous to labour, disastrous to the women and children of workers, disastrous to the community at large, and that any step we can take to bring strikes to an earlier end would be a true blessing to every class of the community. But we have not heard what steps exactly are desired and that is the most difficult question in the world for the reason that was brought forward by Mr. Crerar that compulsory legislation becomes almost impossible. You cannot take away from a working man his inherent right to down tools and do no work if he wishes to do no work. It is one form of legislation that has been attempted in several parts of the British Empire, particularly with a view to the prevention of strikes in public utility companies. In parts of the British Empire, it has been made criminal for workmen employed in certain specified occupations, such as public service, of lighting, tramways, and the like, to strike without giving a certain amount of notice. That legislation always has been, and always will be an absolute dead-letter. You cannot compel a man to work if he does not wish to work, and that being so, it seems to me that legislation must proceed on very tentative lines. It must be very largely permissive, and when one studies the different Acts that exist in different parts of the British Empire, one will see at once that they are very tentative and very permissive. They merely amount to devising machinery for helping capital and labour to solve their difficulties. It amounts to providing an official arbitrator very much on the lines whereby an official trustee has been provided by Act of Parliament. It is not necessary to go to the official trustee, you can appoint your own trustee if you wish. The official trustee is there if you wish to take advantage of his position. And similarly when it seems to be difficult to come to a settlement through private agreement and through a private arbitrator, you can provide machinery for providing capital and labour with an efficient arbitrator, who understands the position, who knows the necessities of labour, who studies the cost of living, and who is able to say impartially whether the demands of labour and the demands of capital are just or unjust, and I hope that the provision of machinery will be proceeded with at the earliest possible moment for creating a position of that kind. How successful it will be must rest entirely with the arbitrator himself. Lord Askwith in England is the great example of what has been done by a man

who is looked up to, and considered impartial by all parties concerned in labour disputes. If we can find a man like Lord Askwith we shall be very fortunate; to find a man like him will go far to settle all our difficulties in a very short time.

There is just one final reservation that I wish to make, and that is that my constituents begin to view with a certain amount of horror the tendency of Government to multiply expensive bureaucracy. And, Sir, I am afraid that my constituents will find it very difficult to approve of the sanction of a very large sum of money, possibly Rs. 4,00,000 or Rs. 5,00,000 a year which, I suppose, we will be asked to provide for adequate machinery. Before I conclude, I would ask that Government would see to it that machinery is provided at as cheap a rate as possible.

PRINCE OF WALES MUSEUM BILL.

Extract from the Proceedings of a meeting of the Bombay Legislative Council, held at Poona on Thursday, the 4th August 1921.

MR. H. P. W. MACNAGHTEN (Bombay Chamber of Commerce): Sir, while supporting the first reading of this bill, I sincerely trust that, before the second and third readings come before us, the Honourable Minister in Charge will provide us with some statistics in support of what, I must say, appears to me the rather unreasoning optimism of the press note that has been laid before us. It is pointed out there that the net income will be 7½ lakhs a year when the buildings which are proposed to be erected by the trustees are completed and 13½ lakhs a year when the loan is repaid twenty years thereafter, and that with that revenue it will be possible to equip and maintain a museum on a magnificient scale. This, Sir, is a self-evident proposition but the very important intervening stages, the methods by which this income is to be secured to us, are left to our imagination.

In the meantime it has been pointed out to us that the museum cannot exist unless the trustees, who have been appointed presumably for their knowledge of trusteeship of museums, are permitted to indulge in a very considerable building speculation, the result of which depends solely on the general development of Bombay. A crore and a quarter is a very large sum of money, and to

borrow it on the security of land valued for that purpose at Rs. 500 per square yard, seems to me to be tying a mill-stone of considerable weight round the neck of the trustees. It may be all right as a speculation, and I trust it will be all right, but the public of Bombay, at the present moment, is exceedingly critical of costs and estimates of returns and I do trust that before we are asked finally to give this power to the trustees the Hon'ble Minister responsible for this bill will place the whole facts before us.

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Extract from the Proceedings of a meeting of the Bombay Legislative Council held at Poona on Saturday the 8th October 1921.

MR. H. P. W. MACNAGHTEN (Bombay Chamber of Commerce):—Mr. President I rise to move the amendment which stands in my name, namely,

> "In section 6 for the words 'from the Government or with the previous sanction of the Government from any person' substitute 'from any person excepting the Government."

This bill was originally brought forward as an empowering bill, empowering the Trustees to build with borrowed money on their property. It was not clear at the time that there was any question of Government lending the trustees the money to build with. It now appears from this section that not only are the trustees empowered to build but it was made quite clear in the Honourable Minister of Education's opening speech that it empowers Government to lend to the trustees and the Honourable Minister of Education seems to be under the impression that Government can and probably will lend to the trustees without any further reference to this Council. That is implied in the report of the select committee when they say:

> "It may be presumed that Government before advancing any loan would make sure that they would be quite safe in doing so by looking to the adequacy of the security and the prospects of the scheme."

I submit to this Council that it is the business of the Council to see that the money of the public is properly spent and not to leave Government a blank cheque of this kind. Sir, we have spent a very great deal of time today and in the past week discussing matters possibly of very great importance in themselves but involving very

small sums of money. We are now asked to give Government a blank cheque for a very great deal of money, and I submit, Sir, that this Council should assert their claim over the financial responsibility which belongs to them. I do not believe that Government has any money that it ought to lend to the museum. All the money that Government can borrow is required for the development of Bombay, for the Improvement Trust, for the Bombay Municipality and for the Sukkur Barrage, and it ought not to be expended on the sole responsibility of Government without the distinct control of this Council.

Sir, I wish very much that Government would accept this point of view and would say that, while this bill should empower the museum trustees to borrow from other people, they will not lend them a penny without the consent of this Council. I wish, Sir, that Government would adopt this view, because I do not wish to speak—and I must say that like everybody else in the Council I have very little authority to speak—on the financial advantages of the scheme. It is true, Sir, that at our last meeting of the Council, the authorities were pleased to place before us a plan of the buildings which it was proposed to erect on this site. I have studied plans very often for some years now, and I looked at it forwards and backwards, and as far as I could see the building was to be 30 feet long and 10 feet wide. I made a few enquiries. and I found that the authorities who were responsible for the preparation of the plan had made the trifling mistake of reproducing on the photograph of the plan the scale of 20 feet to the inch, which had been given on the much larger original. When at the meeting of the select committee I asked what the actual facts were they were pleased to state that they were not quite sure but they thought the plan was 96 feet to the inch. That is the only way in which the Council has had any opportunity of pronouncing its opinion on the financial conditions of this scheme for which Government asks an absolutely blank cheque. Consequently I am unable to deal with it on any except the broadest possible lines. Government has stated that it proposes to mortgage the land at the ridiculously low rate of Rs. 500 per square yard which, whatever may have been the price a year ago, I do not consider to be the price of land in that neighbourhood at the moment, and I am perfectly certain that it will not be the price of land in that vicinity when the Back Bay has been developed. They are now building on this site at

a time when building is more expensive than it has ever been before, and they are asking us to believe that the offices can be let at a price which will show a very fair profit after paying for a heavy rate of interest and sinking fund. We are asked, Sir, to consider the great advantages when we are building on free land, and we are asked how, if there is not a large profit on this operation, other people are building. Sir, the answer to that question is quite simple. No other people, as far as I know, are building in Bombay for speculative purposes. There are a great many offices going up now, but they are all being built by insurance companies and other firms who have got a great deal of money at their disposal, and who wish to make use of them by making themselves comfortable by proper office accommodation for a long time to come; and where they have spare space they have very great difficulty in letting it. I am finally asked to contemplate the position of the museum if this bill is not passed, and asked what will happen to them if they, being absolutely penniless, are not allowed to borrow from Government £ 1 million, in order to go in for speculative building. Sir, if I am a penniless man, I do not borrow a million pounds sterling for speculative building on any conditions whatever. When I was at Cambridge, a certain boat club had liabilities of £ 50 and assets of £ 5 and they decided that nothing could do their position much harm and they placed the £ 5 on an outsider in the Derby which won and brought them in £ 75.

They did not borrow £ 10,000 at 7½ per cent. on the off—chance that they might make 8 per cent. on their money and I think, Sir, that their finance was very much sounder than what this House is asked to support on this occasion. If I am asked what the museum trustees can do, I would suggest that they can make a very large sum in ground rent for their site rather than go in for a speculative operation. I think that it would be much better to take the ground rent that has been offered to them by firms who required the land for their own purposes for a very limited term of years—10 years if they choose—and consolidate their position in that way rather than borrow money from any party whatever. That however, Sir, is the affair of the trustees and the trustees only. For the present I am only asking the House not to give Government a blank cheque to lend money on such a speculation that we are being asked for in such an unqualified way under this clause.

THE HONOURABLE THE PRESIDENT: Will you consider the language of your amendment, Mr. Macnaghten? You say: substitute for the words "from the Government or with the previous sanction of the Government from any person" the words "from any person excepting the Government." Supposing those words are inserted in lieu of those that already appear in section 6 it will then read thus:- The Board may from time to time borrow or reborrow and take up at interest from any person excepting the Government from any person..... The words "from any person" come twice. Your amendment ought to be:- Omit the words "from the Government or with the previous sanction of the Government" and after the words "from any person" add the words "excepting the Government."

MR. H. P. W. MACNAGHTEN: If you think it better Sir.....

THE HONOURABLE THE PRESIDENT: It is not what I think better, but what you think.

MR. H. P. W. MACNAGHTEN: Both may be the same.

THE HONOURABLE SIR CHIMANLAL SETALVAD: May I explain, Sir, that what the honourable member proposes to omit is all the words "from the Government or with the previous sanction of the Government from any person" and insert the words "from any person excepting the Government" in their place. He means the same thing.

THE HONOURABLE THE PRESIDENT: All right, it comes to the same thing.

* * * * *

THE HONOURABLE THE PRESIDENT: I call on Mr. Macnaghten for a reply.

MR. H. P. W. MACNAGHTEN: Sir, I merely brought this question forward as it appears to me to be very anomalous that Government should be entitled to lend money up to (I think) one hundred and sixteen lakhs without any control of this Council and that while the Council looks carefully into the expenditure of hundreds of rupees, it should not do so when lakhs of rupees are involved. That is the only thing I have to say.

THE HONOURABLE THE PRESIDENT: I put the amendment in three motions. The question I put is:

"That in clause 3, section 6, line 5, the words 'from the Government' be omitted.'

The motion was put to the vote and lost without a division.

MR. H. P. W. MACNAGHTEN: That amendment having been lost, I request leave to withdraw the rest of the amendment.

THE HONOURABLE THE PRESIDENT: Has the Honourable member leave of the Council to withdraw the rest of his amendment?

Question put and leave granted.

RESOLUTION REGARDING WELCOMING H. R. H. THE PRINCE OF WALES.

Extract from the Proceedings of a meeting of the Bombay Legislative Council held at Poona on Wednesday the 28th September 1921.

Mr. H. P. W. MACNAGHTEN: (Bombay Chamber of Commerce): On behalf of the non-official European community of Bombay, I wish to associate myself with the resolution moved by my honourable friend and the remarks of the honourable members representing the various communities in support of this resolution. His Royal Highness's visit to India will complete the series of his missions to all the countries which comprise the great commonwealth of the British Empire. Wherever His Royal Highness has been, he has left behind him an increased measure of the spirit of loyalty, of goodwill, of unity, and devotion to his dynasty and to his family: and I pray that, in India too, the presence of His Royal Highness may lead us still further on the road of hearty co-operation and unity that has been so strikingly illuminated by the speeches of the representatives of the various communities this afternoon.

FINANCIAL STATISTICS.

NOTE ISSUE.	Rs.	RESERVE.	Rs.
Total Amount of Notes in circulation on the 31st December 1921	1,72,53,17,521	Gold Coin and Bullion in India	24,31,87,661
		" " " " " England	.....
		Silver Coin in India	69,76,03,566
		" Bullion under Coinage in India ...	4,20,59,404
		Gold Coin and Bullion in transit between India, England and His Majesty's Dominions	.....
		Securities held in India (Purchase Price) ...	(a) 68,39,85,321
		" " " England (Purchase Price)...	(b) 5,84,81,569
			1,72,53,17,521
Deduct withdrawn from circulation by Foreign Circles and in course of remittance to Circles of Issue...	.....	*Deduct*—Amount due on T. Ts. drawn by one Circle on another	.....
Total Rs. ...	1,72,53,17,521	Total Rs. ...	1,72,53,17,521

(a) Nominal Value Rs. 10,20,81,500 of rupee paper and Rs. 61,26,00,000 Indian Treasury Bills.
(b) Nominal Value Rs. 5,90,00,000 British Treasury Bills.

BALANCE OF THE GOLD STANDARD RESERVE	£		£
on the 31st December 1921 in England amounted to	40,293,582	Gold in India	*Nil.*
		Cash at the Bank of England	3,242
		British Government Securities (value as on 30th September 1921	19,520,157
		British Government Securities since purchased	20,770,183
Total £ ...	40,293,582	Total £ ...	40,293,582

COUNCIL BILLS.	£		£
Amount estimated in the Financial Statement to be remitted to the Secretary of State during 1920-21	.....	Remitted from 1st April 1920 to 31st March 1921—By Council Bills	.....

BALANCE HELD IN CASH IN THE DISTRICT CIVIL TREASURIES of the Government of India and at the credit of Government in the Imperial Bank of India on the 31st December 1917	Rs.	16,79,48,000
" " " " " " 1918	"	14,67,65,000
" " " " " " 1919	"	14,05,18,300
" " " " " " 1920	"	15,15,48,000
" " " " " " 1921	"	11,09,65,000

COINAGE OF SILVER IN INDIA—(Bombay and Calcutta Mints).	Official year 1918-19,	Official year 1919-20,	Official year 1920-21
Whole Rupees and Small Coins	Rs. 52,05,35,309	Rs. 37,72,19,758	Rs. 3,41,30,039

NET PROFIT ON COINAGE for the year ending 31st December 1921	Rs.	5,30,428

		Rs.
AMOUNT OF GOVERNMENT PROMISSORY NOTES standing on the London Registers at the end of March 1917		8,30,41,600
" " " " " " " " " 1918		7,47,56,300
" " " " " " " " " 1919		8,17,20,775
" " " " " " " " " 1920		6,82,83,775
" " " " " " " " " 1921		6,26,64,525
" " " " " " " " " 1922		7,79,63,450

STATEMENT showing the Annual Value of the Import Trade of India, and the Total Miles of Railway opened.

Calendar Year.	Total Miles of Railway opened.	Official Year.	Merchandise.	Treasure.	Total Merchandise and Treasure.
1871 ...	5074	1870-71 ...	33,41,39,060	5,44,48,231	38,85,87,291
1872 ...	5369	1871-72 ...	31,08,37,470	11,57,38,129	42,65,75,599
1873 ...	5697	1872-73 ...	31,26,05,610	4,55,65,850	35,81,71,460
1874 ...	6226	1873-74 ...	32,59,58,730	5,79,25,336	38,38,84,066
1875 ...	6543	1874-75 ...	36,22,21,130	8,14,10,466	44,36,31,597
1876 ...	6862	1875-76 ...	38,88,73,404	5,30,07,218	44,18,80,622
1877 ...	7322	1876-77 ...	37,44,06,308	11.43,61,197	48,87,67,505
1878 ...	8223	1877-78 ...	41,46,41,851	17,35,54,596	58,81,96,447
1879 ...	8498	1878-79 ...	37,80,09,835	7,05,67,486	44,85,77,321
1880 ...	9166	1879-80 ...	41,17,25,671	11,65,48,948	52,82,74,619
1881 ...	9894	1880-81 ...	53,08,68,074	8,99,72,139	62,08,40,213
1882 ...	10153	1881-82 ...	49,11,28,724	11,32,27,804	60,43,56,528
1883 ...	10462	1882-83 ...	52,09,86,720	13,45,33,642	65,55,20,362
1884 ...	11635	1883-84 ...	55,29,89,907	12.87,79,633	68,17,69,540
1885 ...	12287	1884-85 ...	55,70,16,804	13,88,81,918	69,58,98,722
1886 ...	12896	1885-86 ...	55,65,19,552	15,46,70,808	71,11,90,360
1887 ...	14109	1886-87 ...	61,81,19,608	11,04,83,224	72,86,02,832
1888 ...	14582	1887-88 ...	65,00,45,881	13,81,25,456	78,81,71,337
1889 ...	15893	1888-89 ...	69,43,77,531	13,84,49,249	83,28,26,780
1890 ...	16407	1889-90 ...	69,19,93,762	17,45,45,037	86,65,38,799
1891 ...	17314	1890-91 ...	71,97.57,754	21,93,44,876	93,91,02,630
1892 ...	17894	1891-92 ...	69,42,75,659	14,72,26,621	84,15,02,280
1893 ...	18510	1892-93 ...	66,27,86,222	17,00.98,101	83,28,84,323
1894 ...	18906	1893-94 ...	77,02,60,944	18,46,12,564	95,48,73,508
1895 ...	19555	1894-95 ...	73,51,65,042	9,58,12,084	83,09,47 126
1896 ...	20262	1895-96 ...	72,93,61,344	13,36,79,854	86,30,41,198
1897 ...	21123	1896-97 ...	76,21,58,352	13,08,45,635	89,30,03,987
1898 ...	22048	1897-98 ...	73,63,43,159	20.53,06,170	94,16,49,329
1899 ...	23528	1898-99 ...	72,11,07,161	17,89,56,127	90,00,63,238
1900 ...	24760	1899-1900...	75,30,44,785	20,97,36,851	96,27,81,636
1901 ...	25373	1900-1901...	80,89,40,873	24,57,61,818	1,05,47,02,691
1902 ...	25931	1901-1902...	88,74,24,199	20,87,13,352	1,09,61,37,551
1903 ...	26956	1902-1903...	85,86,60,829	25,31,83,178	1,11,18,44,007
1904 ...	27565	1903-1904...	92,59,22,723	38,52,61,072	1,31,11,83,795
1905 ...	28295	1904-1905...	1,04,41,27,454	39,50,81,750	1,43,92,09,204
1906 ...	29097	1905-1906...	1,12,07,09,822	31,65,14,438	1,43,72,24,260
1907 ...	30010	1906-1907...	1,17,24,15,294	44,57,98,114	1,61,82,13,408
1908 ...	30576	1907-1908...	1,36,53,80,464	42,28,44,977	1,78,82,25,441
1909 ...	31490	1908-1909...	1,28,77,81,788	22,74,41,677	1.51,52,23,465
1910 ...	32099	1909-1910...	1,22,64,97,224	37,52,34,734	1,60,17,31,958
1911 ...	32839	1910-1911...	1,33,70,57,458	39,77,35,730	1,73,47,93,188
1912 ...	33484	1911-1912...	1,44,05,54,383	53,47,08,480	1,97,52,62,863
1913 ...	34656	1912-1913 ..	1,66,62,96,807	61,83,17,536	2,28,46,14,343
*1913-14.	34656	1913-1914...	1,91,30,79,586	43,43,96,503	2,34,74,76 089
*1914-15.	35285	1914-1915...	1,44,93 07,207	21,80,83,236	1,66,73,90,443
*1915-16.	35833	1915-1916...	1,38,16,93,032	11,94,62,390	1,50,11,55,422
*1916-17.	36286	1916-1917...	1,60,24,89,599	37,71,08,121	1,97,95,97,720
*1917-18.	36333	1917-1918...	1,64,35,48,949	†.....	†.....
*1918-19.	36616	1918-1919...	1,88,56,24,317	71,36,55,075	2,59,92,79,392
*1919-20.	36735	1919-1920...	2,21,70,24,425	78,23,88,554	2,99,94,12,979
*1920-21.	37029	1920-1921...	3,46,04,56,143	34,50,75,040	3,80,55,31,183

* Official year ending 31st March.

† Figures not available.

STATEMENT showing the Annual Value of the Export Trade of India, and the Total Miles of Railway opened.

Calendar Year.	Total Miles of Railway opened.	Official Year.	Merchandise.	Treasure.	Total Merchandise and Treasure.
			Rs.	Rs.	Rs.
1871 ...	5074	1870-71 ...	55,33,18,252	2,22,07,646	57,55,25,898
1872 ...	5369	1871-72 ...	63,18,58,474	1,47,60,935	64,66,19,409
1873 ...	5697	1872-73 ...	55,23,62,953	1,29,80,790	56,53,43,743
1874 ...	6226	1873-74 ...	54,96,07,865	1,91,40,711	56,87,48,576
1875 ...	6543	1874-75 ...	56,35,92,404	1,62,53,091	57,98,45,495
1876 ...	6862	1875-76 ...	58,09,14,946	2,20,02,363	60,29,17,309
1877 ...	7322	1876-77 ...	61,01,38,912	4,02,98,978	65,04,37,890
1878 ...	8223	1877-78 ...	65,22,23,282	2,21,09,956	67,43,33,238
1879 ...	8498	1878-79 ...	60,93,68,769	3,98,22,283	64,91,91,052
1880 ...	9166	1879-80 ...	67,21,07,406	2,03,51,479	69,24,58,885
1881 ...	9894	1880-81 ...	74,54,09,072	1,44,04,408	75,98,13,480
1882 ...	10153	1881-82 ...	81,96,64,102	1,09,97,468	83,06,61,570
1883 ...	10462	1882-83 ...	83,48,49,372	1,04,18,488	84,52,67,860
1884 ...	11635	1883-84 ...	88,07,64,315	1,00,84,937	89,08,49,252
1885 ...	12287	1884-85 ...	83,17,01,507	1,96,89,796	85,13,91,303
1886 ...	12896	1885-86 ...	83,86,11,693	1,10,82,310	84,96,94,003
1887 ...	14109	1886-87 ...	88,48,10,354	1,72,04,261	90,20,14,615
1888 ...	14582	1887-88 ...	90,54,36,458	1,60,46,242	92,14,82,700
1889 ...	15893	1888-89 ...	97,06,02,386	1,78,43,819	98,84,46,205
1890 ...	16407	1889-90 ...	1,03,44,87,052	1,90,63,218	1,05,35,50,270
1891 ...	17314	1890-91 ...	1,00,21,50,575	2,12,31,785	1,02,33,82,360
1892 ...	17894	1891-92 ...	1,08,17,79,873	3,28,66,858	1,11,46,46,731
1893 ...	18510	1892-93 ...	1,06,57,46,715	6,95,89,237	1,13,53,35,952
1894 ...	18906	1893-94 ...	1,06,51,48,540	4,10,01,921	1,10,61,50,461
1895 ...	19555	1894-95 ...	1,08,92,91,101	8,22,60,717	1,17,15,51,818
1896 ...	20262	1895-96 ...	1,14,34,59,341	4,25,98,105	1,18,60,57,446
1897 ...	21123	1896-97 ...	1,03,98,36,184	4,93,74,955	1,08,92,11,139
1898 ...	22048	1897-98 ...	97,63,51,802	7,14,86,470	1,04,78,38,272
1899 ...	23528	1898-99 ...	1,12,80,11,811	7,41,14,207	1,20,21,26,018
1900 ...	24760	1899-1900...	1,09,11,36,448	7,95,63,876	1,17,07,00,324
1901 ...	25373	1900-1901...	1,07,76,44,143	14,22,73,646	1,21,99,17,789
1902 ...	25931	1901-1902...	1,24,52,48,571	11,47,08,603	1,35,99,57,174
1903 ...	26956	1902-1903...	1,29,40,79,337	9,65,76,370	1,39,06,55,707
1904 ...	27565	1903-1904...	1,53,51,71,599	15,04,38,811	1,68,56,10,410
1905 ...	28295	1904-1905...	1,57,70,83,029	16,42,88,167	1,74,13,71,196
1906 ...	29097	1905-1906...	1,61,85,53,960	15,47,00,054	1,77,32,54,014
1907 ...	30010	1906-1907..	1,76,66,94,270	5,71,82,526	1,82,38,76,796
1908 ...	30576	1907-1908...	1,77,37,29,392	5,44,85,001	1,82,82,14,393
1909 ...	31490	1908-1909...	1,53,14,31,953	6,32,02,465	1,59,46,34,418
1910 ...	32099	1909-1910...	1,87,83,04,410	6,39,90,403	1,94,22,94,813
1911 ...	32839	1910-1911...	2,10,15,16,030	7,12,69,254	2,17,27,85,284
1912 ...	33484	1911-1912...	2,27,98,82,325	10,37,39,063	2,38,36,21,388
1913 ...	34656	1912-1913 .	2,46,21,83,342	10,63,17,656	2,56,85,00,998
*1913-14	34656	1913-1914...	2,49,00,74,896	7,08,28,850	2,56,09,03,746
*1914-15	35285	1914-1915...	1,82,17,60,256	5,28,94,370	1,87,46,54,626
*1915-16	35833	1915-1916...	1,99,48,03,975	8,22,57,819	2,07,70,61,794
*1916-17	36286	1916-1917...	2,47,31,10,343	6,29,72,057	2,53,60,82,400
*1917-18.	36333	1917-1918...	2,44,89,45,219	†.....	† ...
*1918-19.	36616	1918-1919...	2,55,32,02,610	9,01,03,571	2,64,33,06,181
*1919-20.	36735	1919-1920...	3,32,75,78,755	13,67,97,719	3,46,43,76,474
1920-21.	37029	1920-1921...	2,65,94,69,475	25,95,22,675	2,91,89,92,150

* Official year ending 31st March.

† Figures not available.

FOREIGN TRADE OF BRITISH INDIA.

Summary of Imports and Exports in the Official Years 1915–1916 *to* 1920–1921

	1915-1916.	1916-1917.	1917-1918.	1918-1919.	1919-1920.	1920-1921.
IMPORTS—	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Merchandise, Private						
Bengal	52,92,92,142	56,54,00,521	58,39,22,492	64,04,52,684	83,76,89,253	1,19,81,50,885
Bombay	44,24,21,927	55,36,27,249	56,84,34,102	71,10,09,428	78,92,59,570	1,28,15,86,081
Sind	12,51,67,050	13,92,01,560	13,13,82,135	11,52,85,283	17,09,31,171	34,65,41,377
Madras	11,53,20,382	12,85,58,826	12,20,10,804	11,76,93,512	13,37,89,525	24,90,76,843
Burmah	10,76,60,942	11,85,64,491	9,85,01,572	10,59,00,514	14,80,54,421	27,97,16,974
Total ...	1,31,98,62,443	1,49,63,52,647	1,50,42,51,105	1,69,03,41,421	2,07,97,23,940	3,35,50,72,160
Ditto Government Stores	6,18,30,589	10,61,36,952	13,92,97,844	19,52,82,896	13,73,00,485	10,53,83,983
Total Merchandise ...	1,38,16,93,032	1,60,24,89,599	1,64,35,48,949	1,88,56,24,317	2,21,70,24,425	3,46,04,56,143
Treasure, Private.						
Bengal	3,00,45,727	1,68,39,426	Figures not available.	2,06,397	3,81,91,347	1,21,96,178
Bombay	8,67,21,049	12,42,07,953		1,18,73,228	7,17,16,469	21,13,32,215
Sind	12,84,580	2,12,837		1,28,921	1,59,186	20,17,973
Madras	2,87,236	1,99,583		177	11,64,614	13,57,999
Burmah	2,13,481	80,222		1,404	380	7,68,542
Total ...	11,85,52,073	14,15,40,021	.....	1,22,10,127	11,12,31,996	22,76,72,907
Ditto Government	9,10,317	23,55,68,100	.....	70,14,44,948	67,11,56,558	11,74,02,133
Total Treasure ...	11,94,62,390	37,71,08,121	.....	71,36,55,075	78,23,88,554	34,50,75,040
Grand Total of Imports ...	1,50,11,55,422	1,97,95,97,720	.....	2,59,92,79,392	2,99,94,12,979	3,80,55,31,183

Exports——						
Merchandise, Private.						
(Foreign Goods)						
Bengal, Bihar and Orissa	21,72,629	46,28,895	31,73,781	70,63,152	2,31,27,861	2,98,54,576
Bombay	3,05,89,609	5,86,00,965	6,58,75,719	10,50,35,801	12,09,02,024	11,94,18,633
Sind	1,30,61,180	1,47,55,279	1,90,51,281	2,76,56,926	2,80,31,643	2,62,75,365
Madras	21,58,526	21,68,676	25,13,452	40,30,498	48,50,424	37,10,767
Burmah	4,77,392	6,16,662	5,88,229	17,76,649	8,68,173	12,20,525
Total ...	4,84,59,336	8,07,70,477	9,12,02,462	14,55,63,026	17,77,80,125	18,04,79,866
Indian Produce and Manufactures.						
Bengal, Bihar and Orissa	91,40,72,529	96,05,69,664	86,68,60,572	1,05,02,77,215	1,37,42,67,796	1,08,27,54,259
Bombay	44,33,76,022	71,48,73,495	76,15,07,309	66,12,22,201	1,01,10,58,168	65,58,87,646
Sind	17,51,52,630	22,57,14,071	28,95,73,530	19,53,82,290	15,42,07,881	18,24,43,921
Madras	24,36,68,590	27,48,21,397	20,97,94,646	23,83,83,785	35,16,41,587	22,00,32,865
Burmah	14,90,73,088	19,47,57,168	20,66,13,066	24,79,85,005	19,89,75,742	24,19,92,239
Total ...	1,92,53,42,859	2,37,07,35,795	2,33,43,49,123	2,39,32,50,496	3,09,01,51,174	2,38,31,10,930

FOREIGN TRADE OF BRITISH INDIA.

Summary of Imports and Exports in the Official Years 1915-16 to 1920-21—(continued.)

	1915-1916	1916-1917	1917-1918	1918-1919	1919-1920	1920-1921
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Total Fgn. and Indian Merchandise exported.						
Bengal, Bihar and Orissa	91,62,45,158	96,51,98,559	87,00,34,353	1,05,73,40,367	1,39,73,95,657	1,11,26,08,835
Bombay	47,39,65,631	77,34,74,460	82,73,83,028	76,62,58,002	1,13,19,60,192	77,53,06,279
Sind	18,82,13,810	24,04,69,350	30,86,24,811	22,30,39,216	18,22,39,524	20,87,19,286
Madras	24,58,27,116	27,69,90,073	21,23,08,098	24,24,14,283	35,64,92,011	22,37,43,632
Burmah	14,95,50,480	19,53,73,830	20,72,01,295	24,97,61,654	19,98,43,915	24,32,12,764
Total ...	1,97,38,02,195	2,45,15,06,272	2,42,55,51,585	2,53,88,13,522	3,26,79,31,299	2,56,35,90,796
Ditto Government Stores	2,10,01,780	2,16,04,071	2,33,93,634	1,43,89,088	5,96,47,456	9,58,78,679
Total Merchandise ...	1,99,48,03,975	2,47,31,10,343	2,44,89,45,219	2,55,32,02,610	3,32,75,78,755	2,65,94,69,475
Treasure, Private.						
Bengal	24,71,861	3,93,818	Figures not available	14,808	2,978	3,32,27,349
Bombay	6,66,31,461	3,45,56,280		2,68,68,203	7,21,92,729	21,89,04,670
Sind	16,17,052	42,01,072		.....	.....	23,00,000
Madras	34,56,152	89,98,165		.....	30,00,000	11,35,616
Burmah	81,793	67,243		.....	.....	2,57,080
Total ...	7,42,58,319	4,82,16,578	.....	2,68,83,011	7,51,95,707	25,58,24,715
Ditto Government	79,99,500	1,47,55,479	.....*	6,32,20,560	6,16,02,012	36,97,960
Total Treasure ...	8,22,57,819	6,29,72,057	.....	9,01,03,571	13,67,97,719	25,95,22,675
Grand Total of Exports ...	2,07,70,61,794	2,53,60,82,400	.....	2,64,33,06,181	3,46,43,76,474	2,91,89,92,150

* Figures not available.

Statement showing the Exports from Bombay by Sea of Indian Manufactured Piece-Goods and Yarns since 1895.

Years ending 31st December.	Grey and White Piece-Goods.			Coloured Piece-Goods.		Total Piece-Goods.			Yarns.	
	Packages.	Yards.	lbs.	Packages.	Yards.	Packages.	Yards.	lbs.*	Bales.	lbs.
1895 ...	92,353	128,463,625	31,723,691	5,726	8,809,449	98,079	137,273,074	32,529,164	496,421	192,602,163
1896 ...	87,364	122,974,132	31,520,976	6,411	9,854,183	93,775	132,828,315	33,207,079	584,599	229,346,959
1897 ...	69,718	101,126,083	25,162,666	5,619	8,422,451	75,337	109,548,534	27,387,133	461,260	181,184,351
1898 ...	69,026	99,268,706	24,763,678	6,177	9,072,326	75,203	108,341,032	27,085,258	553,681	218,724,607
1899 ...	84,238	122,807,108	29,819,677	8,513	12,842,538	92,751	135,649,646	33,912,411	681,039	269,559,281
1900 ...	74,415	116,955,481	28,168,912	9,516	15,602,237	83,931	132,557,718	33,139,429	346,503	136,571,588
1901 ...	84,525	136,300,064	33,585,159	12,623	19,963,669	97,148	156,263,733	39,065,933	642,032	254,317,562
1902 ...	89,216	141,252,169	34,907,243	15,944	24,606,384	105,160	165,858,553	41,464,638	674,450	266,698,930
1903 ...	86,838	143,054,079	34,798,444	20,340	32,436,521	107,178	175,490,600	43,872,650	725,338	286,920,007
1904 ...	103,730	171,027,232	42,941,062	24,328	37,864,072	128,058	208,891,304	52,222,851	580,847	229,480,205
1905 ...	113,474	189,298,879	49,406,422	24,847	41,285,870	138,321	230,584,749	57,646,187	750,639	297,389,194
1906 ...	107,675	186,018,348	48,719,629	24,545	42,635,922	132,220	228,654,270	57,163,567	703,006	278,821,792
1907 ...	123,967	222,306,983	60,617,174	31,486	51,605,269	155,453	273,912,252	68,478,063	608,980	241,085,783
1908 ...	120,300	215,698,687	60,862,003	30,997	50,792,342	151,297	266,491,029	66,622,757	598,621	234,484,640
1909 ...	141,920	252,992,500	70,093,139	39,326	66,751,717	181,246	319,744,217	79,936,054	636,329	252,460,745
1910 ...	136,972	250,489,940	68,512,314	45,333	75,673,845	182,305	326,163,785	81,540,946	565,999	223,758,970
1911 ...	122,601	224,438,698	63,524,949	54,000	89,411,376	176,601	313,850,074	78,462,518	403,214	158,582,640
1912 ...	126,681	231,976,527	66,009,051	64,169	107,289,928	190,850	339,266,455	84,816,614	579,281	228,759,617
1913 ...	97,005	177,239,570	50,527,978	55,071	92,467,657	152,076	269,707,227	67,426,327	518,230	205,207,962
1914 ...	91,837	169,515,937	49,361,518	42,084	72,602,270	133,921	242,118,207	60,529,552	437,159	173,172,953
1915 ...	108,956	199,968,079	58,350,926	61,045	103,038,333	170,001	303,006,412	75,751,603	471,895	186,585,698
1916 ...	175,923	248,326,445	70,956,464	82,818	139,616,532	258,741	387,942,977	96,985,744	410,972	162,627,300
1917 ...	111,845	176,934,869	46,119,953	86,909	148,290,803	198,754	325,225,672	81,306,418	373,187	147,167,250
1918 ...	94,071	153,463,774	40,025,958	71,424	126,063,308	165,495	279,527,082	69,881,770	193,275	75,599,059
1919 ...	132,112	219,343,388	56,536,165	116,313	202,286,577	248,425	421,629,965	105,407,491	372,212	146,832,081
1920 ...	149,552	241,230,910	61,482,863	157,042	120,332,112	306,594	361,563,022	90,390,755	288,778	113,351,962
1921 ...	120,739	212,563,435	53,577,720	99,518	159,572,347	220,257	372,135,782	93,033,945	314,330	124,310,163

* The weights have been arrived at by dividing the length in yards, by 4·33, the average weight of the Grey and Bleached Cloths exported up to 1893, in 1894 and 1895 by 4·22 and in 1896 to 1921 by 4·00 lbs.

Value of the Imports of Gold and Silver Coin and Bullion into British India during the year ending 31st December 1921.

Countries	Gold			Silver.		
	Private.	Government.	Total.	Private.	Government.	Total.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs,
United Kingdom	2,01,25,919	.....	2,01,25,919	8,88,52,848	5,32,081	8,93,84,929
Sweden ... ... = ...	12,73,680	.....	12,73,680	.....	.....	.....
Malta and Gozo	2,25,875	.....	2,25,875	.....	.....	.....
Mesopotamia...	4,97,58,731	.....	4,97,58,731	1,64,54,482	.....	1,64,54,482
Aden and Dependencies	1,00,94,523	.....	1,00,94,523	28,57,533	7,393	28,64,926
Arabia...	26,32,807	.....	26,32,807	44,91,588	3,05,116	47,96,704
Bahrein Islands	20,45,241	.....	20,45,241	28,83,882	.....	28,83,882
Persia...	.....	.....	.....	8,97,373	.....	8,97,373
Ceylon...	.....	.....	.....	11,76,508	.....	11,76,508

Straits Settlements including Labuan	41,385	.....	41,385	1,41,312	.....	1,41,312
Java	.....	.....	.....	90,020	.....	90,020
China...	49,312	.....	49,312	2,08,51,113	.....	2,08,51,113
Japan...	.....	.....	.....	7,40,815	.....	7,40,815
Natal...	2,79,313	.....	2,79,313	.....	.....	.....
Africa, East	3,07,615	.....	3,07,615	1,11,95,606	.....	1,11,95,606
United States of America	1,20,26,463	.....	1,20,26,463	1,29,57,123	.....	1,29,57,123
Australia including New Zealand	92,12,109	.....	92,12,109	48,49,527	1,05,284	49,54,811
All other Countries	.....	.....	.....	.....	.....	.....
Total ...	10,80,72,973	.....	10,80,72,973	16,84,39,730	9,49,874	16,93,89,604

Value of the Exports of Gold and Silver Coin and Bullion from British India during the year ending 31st December 1921.

Countries.	GOLD.			SILVER.		
	Private.	Government.	Total.	Private.	Government.	Total.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
United Kingdom	3,340	...	3,340	12,956	1,690	14,646
Aden and Dependencies	...	...	...	7,236	...	7,236
Arabia	...	...	...	28,42,886	...	28,42,886
Bahrein Islands	...	8,07,378	8,07,378	32,39,016	...	32,39,016
Persia	...	...	...	14,01,000	7,000	14,08,000
Henjam Island...	...	...	...	...	3,000	3,000
Ceylon	3,116	...	3,116	4,10,810	...	4,10,810
Java	1,63,857	...	1,63,857	2,03,151	...	2,03,151
Siam	...	...	...	5,50,000	...	5,50,000
Straits Settlements (including Labuan)	6,56,981	...	6,56,981	58,76,238	...	58,76,238
Federated Malay States	...	...	...	20,000	...	20,000
China	...	...	...	1,34,66,921	...	1,34,66,921
Japan	10,94,27,246	...	10,94,27,246	...	...	...
East Africa	74,199	...	74,199	18,06,000	...	18,06,000
Mauritius and Dependencies...	62,166	...	62,166	2,360	...	2,360
United States of America	19,32,42,420	...	19,32,42,420	...	...	...
Australia	...	...	...	...	...	...
All other countries	...	...	...	...	...	...
TOTAL ...	30,36,33,325	8,07,378	30,44,40,703	2,98,38,574	11,690	2,98,50,264

Total Imports of Treasure on private Account from Foreign countries and Indian Ports into Bombay during the year 1921, (From 1st January to 31st December 1921.)

From	Gold.			Silver.			
	Bullion	Coin.		Bullion.	Coin.		
		Sovereigns and half Sovereigns.	Other Coin.		Dollars.	Government of India Rupees.	Other Coin.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
United Kingdom	1,81,84,607	7,01,807	.....	8,81,75,620	.....	.....	.....
Continent of Europe...	12,73,680	11,62,800	.....	67,332	.....	.....	.....
United States of America	45,92.838	.....	74,33,625	1,31,79,783	.....	.....	.....
Egypt	.....	.....	.....	.....	.....	.....	.....
Australia	.....	78,75,859	.....	39,98.017	.....	.....	.....
China	7,765	.....	.....	1.93,37,339	.....	24,50,300	.....
Japan	.....	.....	.....	.....	.....	.....	.....
Straits Settlements	.....	.....	.....	4,52,612	.....	.....	.....
Other Foreign Ports	17,84,369	1,21,22,009	5,16,73,180	1,99,322	54,60,480	1,73,28,854	1,65,05,662
All Indian Ports	.....	2,61,533	13,408	3,26,927	.....	52,150	.....
Total Imports from 1st January to 31st December 1921. ...	2,58,43,259	2,21,24,008	5,91,25,213	12,57,36,952	54,60,480	1,98,31,304	1,65,05,662

Total Exports of Treasure on private account to Foreign Countries and Indian Ports from Bombay during the year 1921. (From 1st January to 31st December 1921).

To	Gold.			Silver.			
	Bullion.	Coin.		Bullion.	Coin.		
		Sovereigns and Half Sovereigns	Other Coin.		Dollars.	Government of India Rupees.	Other Coin.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
United Kingdom	.....	.....	.....	12,382	.....	.....	.....
Continent of Europe...	.....	.....	.....	.....	.....	.....	.....
United States of America	14,86,52,405	1,79,94,151	1,97,19,732	.....	.....	.....	.....
Egypt	.....	.....	.....	.....	.....	.....	.....
Australia	.....	.....	.....	.....	.....	.....	.....
Japan	7,95,72,777	6,27,000	.....	.....	.....	.....	.....
China	.....	.....	.....	1,50,09,417	97,875	.....	59,615
Straits Settlements	11,000	2,79,500	.....	.....	1,142	.....	60,432
Other Foreign Ports	83,374	1,63,857	.....	2,246	5,95,679	63,36,156	2,04,129
All Indian Ports	96,317	.....	.....	5,22,370	.....	1,60,000	.....
Total Exports from 1st January to 31st December 1921.	22,84,15,873	1,90,64,508	1,97,19,732	1,35,46,415	6,94,696	64,96,156	3,24,176

COTTON.

RECEIPTS at, and Exports from, Bombay Port, also Mill Consumption in the Island of Bombay.

In thousands of Bales (000's omitted). [*Year ending 30th June.*

Year ending 30th June.	Receipts.	Exports to			Mill Consumption.	Total.	Years ending 30th June.	Receipts.	Exports to			Mill Consumption.	Total.
		Europe.	Elsewhere.	Total.					Europe.	Elsewhere.	Total.		
1864 ...	...	867	3	870	American War. In '63 & '64 Bombay Imported cotton from China.		1888 ...	1,472	893	58	951	500	1,451
							1889 ...	1,851	1,286	46	1,332	565	1,897
1865 ...	...	1,065	1	1,066			1890 ...	2,235	1,488	71	1,559	636	2,195
1866 ...	...	1,187	14	1,201	42	1,243	1891 ...	2,020	1,070	107	1,177	762	1,939
1867 ...	...	1,277	5	1,282	46	1,328	1892 ...	1,770	905	202	1,107	728	1,835
1868 ...	...	1,030	48	1,078	47	1,125	1893 ...	1,738	816	169	985	724	1,709
1869 ...	...	1,225	56	1,281	48	1,329	1894 ...	1,769	908	159	1,067	731	1,798
1870 ...	...	1,115	50	1,165	49	1,214	1895 ...	1,540	525	143	668	815	1,483
1871 ...	...	967	39	1,006	50	1,056	1896 ...	2,151	800	346	1,146	849	1,995
1872 ...	1,085	1,002	48	1,050	52	1,102	1897 ...	1,612	603	405	1,008	703	1,711
1873 ...	1,151	1,079	34	1,113	53	1,166	1898 ...	1,730	424	409	833	817	1,650
1874 ...	978	917	34	951	67	1,018	1899 ...	2,033	578	520	1,098	951	2,049
1875 ...	1,311	1,192	25	1,217	83	1,300	1900 ...	988	117	444	561	745	1,306
1876 ...	1,345	1,285	20	1,305	135	1,440	1901 ...	1,896	620	340	960	696	1,656
1877 ...	1,073	980	35	1,015	147	1,162	1902 ...	2,142	525	732	1,257	987	2,244
1878 ...	1,141	920	38	958	161	1,119	1903 ...	2,454	921	349	1,270	986	2,256
1879 ...	961	800	46	846	204	1,050	1904 ...	2,151	1,036	423	1,459	973	2,432
1880 ...	832	652	64	716	181	897	1905 ...	2,609	384	664	1,048	1,072	2,120
1881 ...	1,171	874	34	908	220	1,128	1906 ...	2,663	1,017	477	1,494	1,141	2,635
1882 ...	1,832	1,521	87	1,608	277	1,885	1907 ...	2,949	1,169	747	1,916	1,115	3,031
1883 ...	1,770	1,335	95	1,430	313	1,743	1908 ...	2,123	731	454	1,185	1,079	2,264
1884 ...	1,759	1,295	100	1,395	348	1,743	1909 ...	2,166	643	723	1,366	1,099	2,465
1885 ...	1,139	791	70	861	392	1,253	1910 ...	3,152	1,054	968	2,022	984	3,006
1886 ...	1,480	1,009	61	1,070	391	1,461	1911 ...	2,467	1,014	668	1,682	953	2,635
1887 ...	1,703	1,147	40	1,187	454	1,641	1912 ...	2,540	383	923	1,306	1,078	2,384

COTTON.

RECEIPTS at, and Exports from, Bombay Port, also Mill Consumption in the Island of Bombay.
In thousands of Bales (000's omitted). [*Year ending 31st August.*

Year ending 31st August.	Receipts.		Total Receipts.	Exports.			Total Exports.	Mill Consumption.	Total.
	India.	Foreign Countries.		Europe.	China and Japan.	Elsewhere.			
1913	2,733	46	2,779	534	1,023	30	1,587	* 1,072	2,659
1914	3,733	6	3,739	1,301	1,245	24	2,570	1,078	3,648
1915	2,683	5	2,688	405	1,441	15	1,861	1,026	2,887
1916	3,133	6	3,139	294	1,691	8	1,993	1,096	3,089
1917	3,103	17	3,120	302	1,321	7	1,630	1,135	2,765
1918	2,279	27	2,306	293	1,213	7	1,513	1,068	2,581
1919	2,525	18	2,543	195	885	11	1,091	1,000	2,091
1920	3,405	22	3,427	629	1,579	24	2,232	957	3,189
1921	2,763	116	2,879	494	1,381	26	1,901	1,067	2,968

N.B.—As noted in the Chamber's Report for 1913, the figures shown above represent the volume of trade in cotton from 1st September to 31st August, instead of for the year ending 30th June as was previously the case. * Year ending 30th June.

FOREIGN TRADE OF BRITISH INDIA—IMPORTS.

Quantities and Value of the Principal Articles imported in the years ending 31st December 1919, 1920 and 1921

Articles.	Quantities.			Value.		
	1919.	1920.	1921.	1919.	1920.	1921.
				Rs.	Rs.	Rs.
Animals—Living ... ... No.	2,934	4,545	4,615	14,24,190	32,27,490	25,36,251
Apparel—(excluding Hosiery, Boots and Shoes)						
Apparel—including Drapery uniforms and accoutrements ... ... value	.....	.....	.....	1,22,36 680	1,82,37,170	81,83,322
Gold and Silver Thread... ... ... „	.....	.....	.....	23,96,050	59,09,900	40,56,928
Hats, Caps, Bonnets and Hatters' ware „	.....	.....	.....	14,88,010	31,01,480	26,39,131
Lamettas ... ... lbs.	152,281	193,205	235,549	6,77,600	8,57,320	9,91,093
Second-hand Clothing ... ... value	.....	.....	.....	5,82,350	15,10,810	6,33,748
Water proofed Clothing ... ... „	.....	.....	.....	1,19,580	1,79,170	2,23,928
Arms, Ammunition and Military Stores ... „	.....	.....	.....	42,29,590	50,94,800	74,92,067
Art, works of (other than pictures) ... „	.....	.....	.....	3,06,390	6,46,830	15,55,571
Asbestos—Raw ... ... cwts.	28	14	6	3,120	1,970	930
Do. Packings ... ... value.	.....	.....	.....	.....	5,86,190	5,01,526
Do. Manufactures except Packings ... „	.....	.....	.....	2,07,270	9,19,140	8,56,796
Belting for Machinery :—						
Of Cotton ... ... „	.....	.....	.....	10,17,700	30,60,670	26,27,907
„ Leather ... ... „	.....	.....	.....	20,03,010	56,66,930	56,62,410
„ other materials ... ... „	.....	.....	.....	28,66,790	39,40,250	29,65,826

FOREIGN TRADE OF BRITISH INDIA—IMPORTS—*(continued.)*

ARTICLES.		Quantities.			Value.		
		1919.	1920.	1921.	1919.	1920.	1921.
					Rs.	Rs.	Rs.
Bobbins	... value.	.....	.....	.....	40,98,870	45,41,790	1,22,22,518
Books and Printed Matters ...	... cwts.	22,752	26,240	22,890	48,68,750	56,20,740	62,46,198
Boots and Shoes :—							
Of Leather	... pairs.	419,258	679,790	166,575	33,91,470	85,36,750	27,10,821
„ other materials	... „	276,120	414,020	121,894	6,99,900	11,38,120	5,33,494
Brushes and Brooms	... doz.	294,629	375,219	176,879	9,13,160	16,16,380	9,44,020
Building and Engineering Materials :—							
Cement	... tons.	59,780	147,275	108,986	67,69,390	1,43,97,260	1,33,62,278
Asphalte	... „	3,496	5,566	5,867	6,77,910	7,20,000	10,13,705
Bricks other than Fire Bricks ...	... No.	80,320	662,518	269,538	20,610	1,41,470	99,700
Fire Bricks	... „	1,072,890	2,911,375	2,759,837	2,87,620	7,43,760	11,03,772
Tiles	... „	8,187,071	25,571,725	17,663,911	12,65,060	39,62,550	37,03,887
Pipes of Earthenware	... cwts.	1,625	6,033	21,698	11,400	59,990	1,62,984
Other kinds	... „	341,899	317,457	141,565	9,85,260	12,92,900	11,67,424
Buttons of all sorts	... value.	.....	.....	.....	14,58,170	30,84,020	31,15,671
Candles of all kinds	... lbs.	232,808	1,777,122	176,941	1,69,740	9,67,030	1,01,256
Canes and Rattans	cwts.	49,789	50,243	51,737	5,68,260	6,52,270	7,25,408
Carriages and Carts (excluding Railway carriages) and parts thereof	... value.	.....	.....	.....	23,24,580	55,51,900	87,33,513

Chemicals and Chemical preparations :—							
Acids	cwts.	7,344	22,766	10,784	10,28,510	15,30,640	7,21,384
Alum	"	51,915	85,561	38,235	6,65,010	10,18,270	5,38,112
Aluminous sulphates	"	64,312	100,351	47,272	4,73,040	7,65,280	4,43,808
Bleaching materials	"	98,880	133,082	117,071	15,46,750	24,87,280	27,57,281
Disinfectants	"	24,812	37,181	14,035	7,49,110	10,03,330	6,17,060
Magnesium Compounds, Chloride ...	"	12,323	50,493	53,092	1,67,340	7,31,280	5,75,259
Do. do. other kinds ...	"	3,284	7,740	7,866	33,490	1,10,470	79,230
Soda Compounds, Bicarbonate ...	"	121,947	77,786	104,624	10,91,250	6,27,980	10,55,968
Do. Caustic	"	119,949	73,940	63,628	22,30,570	13,70,570	12,99,959
Do. Sodium Carbonate ...	"	544,022	546,653	684,469	33,00,430	29,29,970	47,15,851
Soda Compounds, other kinds ...	cwts.	43,286	90,277	111,975	12,62,990	26,42,990	23,12,911
Sulphur (Brimstone)	"	110,441	217,428	131,174	11,41,000	23,55,210	12,92,378
Zinc Compounds Chloride	"	4,476	16,738	18,557	1,02,790	4,90,560	5,79,892
Do. other kinds	"	251	307	771	11,660	27,680	29,363
Other sorts of Chemicals	value.	.....	.....	.....	47,99,280	56,28,210	41,31,925
China Clay	cwts.	239,260	462,604	286,420	15,11,880	26,87,780	21,52,688
Clocks and Watches and parts thereof ...	value.	.....	.....	.....	17,43,900	41,44,920	28,52,753
Coal, Coke and Patent Fuel :—							
Coal	tons.	47,688	38,586	1,084,687	13,47,210	11,82,210	4,21,23,835
Coke	"	957	1,141	6,051	67,720	1,10,800	5,01,311
Patent Fuel	"	30	.....	11	1,710	.....	2,502
Coffee	cwts.	16,710	50,492	21,127	8,65,680	22,82,230	8,35,822
Coir unmanufactured	tons.	734	210	613	1,47,120	29,690	19,491
" Manufactured	"	138	223	949	45,930	70,390	2,04,635
Corals	lbs.	23,680	57,932	5,495	70,870	44,990	31,576
Cordage and Rope of Vegetable Fibre (excluding Jute and Cotton)	cwts.	17,888	18,892	14,364	15,58,080	15,93,390	12,63 260
Cork manufactures	"	3,306	5,100	2,851	4,66,560	5,39,390	4,38,798
Cutlery	value.	.....	.....	.....	28,90,030	53,74,260	24,36,739
Cycles (other than Motor Cycles) and parts thereof and Accessories	"	.....	.....	.....	22,89,060	95,01,270	21,68,398

FOREIGN TRADE OF BRITISH INDIA—IMPORTS—*(continued)*

ARTICLES.		Quantities.			Value.		
		1919.	1920.	1921.	1919.	1920.	1921.
					Rs.	Rs.	Rs.
Drugs and Medicines (excluding Chemicals and Narcotics) :—							
Camphor	lbs.	420,173	729,382	765,420	11,25,030	38,16,690	23,67,856
Cassia Lignia	cwts.	45,524	42,007	48,238	15,23,910	13,72,380	14,47,002
Proprietary and Patent Medicines ...	value.	.....	.....	.....	28,42,830	34,57,380	18,52,295
Quinine Salts	lbs.	88,760	101,025	54,455	27,31,150	35,74,180	24,99,722
Other Sorts	value	.....	.....	.....	90,87,740	1,03,83,290	76,83,029
Dyeing and Tanning Substances :—							
Alizarine	lbs.	2,185,931	3,369,505	5,237,992	24,00,500	58,21,740	77,39,356
Aniline	"	2,867,930	6,907,004	5,243,635	96,34,800	2,17,64,290	2,38,20,329
Barks for tanning	cwts.	.....	42,489	24,296	.....	42,020	1,89,756
Cochineal	"	1,291	5,277	371	2,44,100	8,62,630	54,797
Cutch and Gambier	"	36,265	36,587	36,509	13,65,220	12,11,950	10,06,739
Indigo, synthetic	"	128	1,319	1,335	25,680	3,26,490	6,94,775
Saffron	lbs.	89,980	71,538	31,346	26,01,705	14,85,620	3,85,284
Other Sorts	cwts.	79,289	30,543	5,872	8,77,450	5,44,090	3,68,006
Earthenware & Porcelain :—							
Earthenware	value.	.....	.....	.....	38,39,350	69,44,280	62,02,094
Porcelain	"	.....	.....	.....	12,86,520	18,62,040	13,37,732
Electroplated ware	"	.....	.....	.....	5,58,000	12,15,710	15,30,011
Fireworks	lbs.	1,291,404	2,808,607	3,524,859	7,08,480	13,22,780	13,63,321

Fish (excluding Canned Fish)	cwts.	114,494	118,570	113,302	18,08,745	20,90,210	16,53,440
Fodder, Bran and Pollards	"	36,293	35,914	45,991	94,810	1,32,790	1,35,972
Fruits and Vegetables (Fresh) ...	value.	.....	.....	.....	5,55,070	9,57,230	8,37,292
Fruits and Vegetables (Dry)—							
Almonds	tons.	5,545	3,929	4,518	65,77,180	40,46,690	41,67,608
Currants & Raisins	"	737	991	677	4,86,500	5,41,440	2,82,409
Dates	"	48,790	52,378	46,215	87,48,980	1,17,35,450	97,50,524
Other Sorts	"	1,831	3,198	1,994	7,86,930	10,57,660	7,04,833
Furniture & Cabinetware	value.	.....	.....	.....	11,89,530	42,69,500	35,88,493
Glass & Glassware :—							
Bangles	value	.....	.....	.....	39,79,800	92,25,090	68,98,454
Beads & false Pearls	cwts.	14,518	21,487	17,816	16,32,180	36,84,030	41,60,521
Bottles and phials	gross.	242,594	335,067	313,997	28,31,870	50,74,420	41,06,580
Sheet and plate	supl ft.	7,865,383	21,419,474	10,578,620	26,45,110	77,77,900	34,90,345
Funnels, Globes Glass parts of lamps ...	value.	.....	.....	.....	14,66,320	22,22,160	14,55,478
Tableware including Decanters etc. ...	"	.....	.....	.....	13,04,670	18,26,140	15,52,828
Other Glassware	"	.....	.....	.....	22,53,790	38,13,150	23,36,373
Grain, Pulse and Flour :—							
Beans, dry.	tons.	780	418	1,127	1,86,040	75,080	2,09,535
Pulse	"	12,110	2,603	1,992	37,48,950	7,24,150	4,91,822
Rice not in the husk	"	132	89	219	30,240	23,810	59,588
Wheat	"	203,516	1	218,412	3,59,02,200	190	4,62,19,702
Other Sorts	"	7,540	584	5,956	14,76,840	1,13,200	10,45,634
Gums and Resins :—							
Arabic	cwts.	17,918	16,351	5,339	6,29,050	4,59,390	1,31,641
Benjamin	"	16,785	12,626	17,188	8,08,430	5,63,300	7,21,282
Dammer (resins)	"	21,373	42,557	63,986	1,87,300	3,53,970	4,71,261
Olibanum or frank incense	"	15,367	19,345	20,294	2,07,910	2,82,320	2,64,823
Resin	"	6,132	35,139	9,584	1,69,320	9,30,320	2,21,968
Other Sorts	"	67,039	39,409	25,394	17,18,060	13,09,910	9,79,956
Hardware—excluding Cutlery and Electroplated ware—							

FOREIGN TRADE OF BRITISH INDIA—IMPORTS—*(continued)*

ARTICLES.		Quantities.			Value.		
		1919.	1920.	1921.	1919.	1920.	1921.
					Rs.	Rs.	Rs.
Agricultural Implements	value.	.....	.....	.....	22,61,070	36,96,170	29,81,539
Builders' Hardware	"	.....	.....	.....	18,36,070	57,61,890	39,14,044
Domestic Hardware	"	.....	.....	.....	9,12,000	23,31,750	16,94,225
Enamelled Ironware	"	.....	.....	.....	19,86,120	47,53,640	21,24,393
Lamps, and parts of (Metal and Glass)	"	.....	.....	.....	33,12,600	78,47,720	61,70,705
Implements and Tools	"	.....	.....	.....	71,27,990	96,21,430	91,02,403
Other kinds	"	.....	.....	.....	2,40,69,420	4,35,84,860	4,56,37,586
Hides and Skins—							
Hides (Raw)	tons.	221	218	365	2,09,810	1,49,610	1,72,057
Skins (")	"	1,051	726	583	15,93,990	12,18,600	7,93,691
Hops	cwts.	4,283	1,087	2,361	6,39,630	2,01,320	3,28,662
Instruments, Apparatus and Appliances and parts thereof:—							
Electric Fans and parts thereof ...	value.	.....	.....	.....	27,82,240	25,75,390	62,65,923
" Wire and Cables	"	.....	.....	.....	44,02,630	98,77,520	1,18,91,304
" Lamps and parts thereof ...	"	.....	.....	.....	13,61,270	18,04,510	29,59,451
" Goods, other kinds	"	.....	.....	.....	79,17,560	1,37,14,120	2,99,70,910
Musical	"	.....	.....	.....	12,36,735	26,13,970	27,35,259
Optical	"	.....	.....	.....	6,81,750	14,81,040	9,92,183
Photographic	"	.....	.....	.....	16,21,880	24,03,220	29,31,027
Scientific and Philosophical ...	"	.....	.....	.....	21,75,540	34,19,450	42,13,422

Surgical ... ... value.	.....	.....	.....	13,20,430	20,62.650	18,85,358
Other kinds ... ... „	.....	.....	.....	3,56,850	5,77,980	12,85,083
Ivory, unmanufactured ... ... lbs.	561,471	368,748	469,606	44,75,880	27,57,410	39,20,434
„ manufactured ... ... value.	.....	.....	.....	2,61,960	1,65,120	72,099
Jewellery and Plate of Gold and Silver (excluding Imitation Jewellery and Precious Stones and Pearls unset) ... ... value	.....	.....	.....	10,33,770	24,40,080	14,21,992
Lac ... ... cwts.	7,044	28,260	6,128	6,01,560	36,14,480	5,93,946
Leather—						
Artificial Leather ... ... value	.....	.....	.....	41,700	2,03,200	1,06,621
Hides and Skins (Tanned or dressed)						
Hides ... ... tons	98	502	100	3,78,990	15,04,410	3,36,434
Skins ... ... „	67	84	22	8,58,260	8,08,400	3,71,392
Leather Cloth ... ... value	.....	.....	.....	44,070	5,48,450	5,05,744
Unwrought ... ... cwts	1,365	3,085	1,145	5,40,190	12,11,560	5,23,576
Manufactures—(excluding Boots, Shoes and Beltings) :—						
Bags and Trunks ... ... value	.....	.....	.....	3,11,720	7,60,540	1,97,048
Pickers ... ... „	.....	.....	.....	4,19,510	10,21,830	12,38,932
Picking Bands and Straps ... ... „	.....	.....	.....	2,25,070	16,62,960	10,23,801
Roller Skins ... ... „	.....	.....	.....	4,42,930	10,40,010	18,70,449
Saddlery and Harness ... ... „	.....	.....	.....	2,53,950	6,55,870	2,79,933
Other sorts ... ... „	.....	.....	.....	12,24,780	22,23,770	15,42,804
Liquors—Ale, Beer, Stout and Porter ...gallons	1,909,690	3,253,714	2,766,432	64,88,760	99,21,280	1,00,39,834
„ Cider & other fermented Liquors „	9.256	15,037	13,188	58,520	94,250	99,262
„ Spirits—Brandy ... ... „	209,779	413,830	334,787	43,55,930	66,79,310	67,05,833
„ „ Whisky ... ... „	555,001	734,281	627,418	1,01,49,690	1,14,21,050	1,29,17,827
„ „ Rum ... ... „	159,294	255,669	173,656	3,23,500	5,94,050	4,56,839
„ „ Gin ... ... „	57,789	102,006	83,886	9,67,610	12,24,630	9,31,264

FOREIGN TRADE OF BRITISH INDIA—IMPORTS—(*continued*).

Articles.	Quantities.			Value.		
	1919.	1920.	1921.	1919.	1920.	1921.
				Rs.	Rs.	Rs.
Liquors Spirits—Present in drugs ... gallons	116,009	181,900	80,282	31,09,200	37,46,190	27,31,928
" " Perfumed ... ... "	17,864	36,595	12,548	13,86,610	23,24,950	13,53,558
" " Methylated ... ... "	214,237	118,515	188,873	3,90,670	2,44,030	5,36,098
" " Other kinds ... ... "	97,856	432,045	149,513	12,83,970	19,10,230	11,66,062
" Liqueurs ... ... "	16,007	32,308	18,827	4,50,750	7,39,690	5,09,537
" Wines ... ... "	321,366	409,727	274,577	45,34,995	62,73,430	42,56,307
Machinery and Mill Work :—						
Prime-movers (Oil Steam Engines) ... value	.....	.....	.....	59,43,630	1,85,94,930	2,90,85,997
Electrical Machinery ... ... "	.....	.....	.....	1,17,45,630	1,52,95,290	3,64,21,590
Boilers do. ... ... "	.....	.....	.....	41,22,660	1,14,50,510	2,51,01,046
Textile (Cotton) Machinery ... ... "	.....	.....	.....	1,62,78,900	2,46,56,390	6,42,07,801
Agricultural do. ... ... "	.....	.....	.....	1,97,550	18,54,720	21,17,500
Machine Tools ... ... "	.....	.....	.....	.....	74,46,940	1,35,63,686
Metal Working Machinery ... ... "	.....	.....	.....	3,75,910	16,07,890	36,28,572
Mining do. ... ... "	.....	.....	.....	15,42,450	18,02,410	69,48,425
Rice and Flour Mill Machinery ... "	.....	.....	.....	11,17,250	36,25,820	73,34,074
Saw Mill & Wood Working Machinery. "	.....	.....	.....	8,85,150	9,68,010	33,13,649
Sugar Machinery ... ... "	.....	.....	.....	3,00,490	14,24,540	79,44,580
Sewing and Knitting Machines and parts thereof ... ... "	.....	.....	.....	45,14,130	82,74,400	23,04,965
Jute Machinery... ... ... "	.....	.....	.....	1,29,96,930	2,17,93,750	4,47,46,556

Shuttles ... ... value.	.....	.....	.....	7,74,080	11,08,300	17,42,001
Typewriters and parts thereof ... „	.....	.....	.....	21,91,920	34,40,470	22,88,535
Other sorts ... . „	.....	.....	.....	2,44,95,260	3,84,56,460	8,79,25,444
Manures .. .. tons.	2,482	6,590	834	5,69,410	15,22,080	2,34,053
Matches ... . gross of boxes.	11,452,575	16,249,428	11,100,937	1,59,07,680	2,19,98,220	1,63,83,685
Mats and Matting ... ... sq. yds.	1,075,972	887,888	844,192	4,81,020	5,24,950	3,78,160
Metals and ores :—						
Aluminium ... ... cwts.	13,582	64,468	35,531	20,80,650	76,71,220	56,84,516
Brass etc. ... ... „	182,243	743,788	222,962	1,48,88,940	4,93,09,390	1,53,06,643
Copper ... ... „	177,870	4,62,636	106,070	1,39,66,650	3,24,45,020	94,85,420
Iron ... ... tons.	13,480	31,481	27,194	50,67,420	91,88,940	66,62,047
Iron or Steel ... ... „	261,771	474,984	389,763	12,68,08,590	20,44,68,380	19,41,49,443
Steel ... ... „	55,143	192,795	148,295	2,10,30,480	6,12,66,470	4,08,08,711
Lead ... ... cwts.	117,009	111,496	53,080	34,38,560	34,10,630	17,77,617
Quicksilver ... ... lbs.	480,853	202,855	157,145	18,43,800	6,36,660	3,50,963
Tin ... ... cwts.	43,181	51,507	55,314	74,15,140	79,40,020	79,52,048
Zinc or Spelter ... ... „	76,934	123,738	87,839	27,56,200	43.24,500	24,14,638
Other kinds ... ... „	18,026	42,113	23,116	12,24,890	29,29,100	19,27,604
Mica ... ... cwts.	.....	.....	4,052	.....	.....	7,38,828
Motor Cars, Motor Cycles, Motor waggons and parts thereof ... ... value.	.....	.....	.....	2,26,02,630	11,15,68,830	5,02,44,269
Oils :—						
Animal ... ... gallons.	67,643	23,943	29,436	1,51,510	84,400	1,23,740
Essential... ... ... „	32,333	37,932	27,484	7,29,440	14,93,100	8,48,669
Mineral Fuel ... ... „	35,314,734	42,781,627	50,181,234	74,04,340	1,04,22,240	1,22,07,615
„ Kerosine ... ... „	74,213,992	63,599,160	42,863,775	5,26,47,070	4,64,86,080	3,19,17,482
„ Lubricating ... ... „	20,538,611	15,808.854	18,184,871	2,37,51,260	2,09,06,120	2,79,24,167
„ other kinds ... ... „	1,733,972	911,503	2,385,804	14,08,890	15,25,620	25,60,615
Cocoanut... ... ... „	29,920	130,279	170,427	82,650	3,98,010	5 28,309
Linseed ... ... „	75,881	288,204	216,933	4,37,060	14,58,620	9,65,601
Other Sorts ... ... gallons.	35,810	50,538	47,899	1,35,430	2,13,440	1,89,574
Oil Cloth and Floor Cloth ... ... sq. yds.	323,334	1,398,581	274,602	8,09,570	26,13,470	8,97,574

FOREIGN TRADE OF BRITISH INDIA—IMPORTS—(*continued*).

Articles	Quantities			Value		
	1919	1920	1921	1919	1920	1921
				Rs.	Rs.	Rs.
Opium ... ... lbs.	147	25	69	23,060	1,340	4,358
Packing—Engine and Boiler of all kinds ... value.	.....	.....	.....	11,50,740	6,01,050	4,92,436
Paints and Colours ... ... cwts.	257,627	365,389	258,374	1,04,21,890	1,41,35,330	1,11,66,037
Painters' Materials ... ... value.	.....	.....	.....	33,26,390	41,18,410	24,22,932
Paper ... ... "	.....	.....	.....	2,07,11,460	6,05,73,850	3,05,22,238
Pasteboard, Mill-board and Cardboard of all kinds ... ... cwts.	145,314	205,407	146,106	28,34,180	43,75,210	33,31,110
Paper Making Materials ... ... "	83,629	194,437	128,733	16,26,550	40,96,560	41,99,101
Paraffin Wax... ... ... tons	8	7	48	4,620	6,510	37,163
Perfumery ... ... value	.. ...	.....	.....	3,60,120	3,50,340	3,49,829
Pitch and Tar ... ... cwts.	115,446	178,309	76,031	9,01,260	12,84,420	7,67,627
Polishes ... ... value	.....	.....	.....	20,32,440	41,90,590	17,09,185
Precious Stones ... ... "	.....	.....	.....	25,500	7,41,940	8,54,083
Pearls ... ... "	.....	.....	.....	47,04,600	50,35,330	61,34,699
Printing and Lithographing Presses ... "	.....	.....	.....	2,17,940	11,73,810	33,89,412
Do. do. Materials ... "	.....	.....	.....	7,12,630	15,67,780	19,65,081
Prints, Engravings and Pictures ... ... "	.....	.....	.....	1,72,610	3,35,050	4,11,230
Provisions and Oilmanstores—						
Bacon and Hams ... ... cwts.	11,643	9,808	10,431	14,66,880	13,93,680	18,35,018
Biscuits and Cakes ... ... "	28,506	59,279	10,636	26,23,110	57,49,690	15,43,391
Cheese ... ... "	2,714	13,476	6,739	3,07,320	19,72,600	12,68,446
Cocoa and Chocolate ... ... "	8,995	8,949	2,681	12,14,270	15,36,750	6,53,874
Farinaceous and Patent Food ... "	230,424	295,327	269,097	53,42,940	81,08,720	53,17,461
Jams and Jellies ... ... "	6,193	16,771	10,710	3,38,880	9,49,410	8,70,467

Milk Condensed and Preserved including milk cream	cwts.	59,831	77,421	70,487	39,04,650	48,95,550	56,75,998
Other Sorts of Provisions	value.	.....	.....	.....	88,43,650	1,56,34,520	80,42,635
Railway Plant and Rolling Stock—							
Carriages, Wagons and parts thereof.	value.	.....	.....	.....	2,19,87,430	5,26,71,010	9,23,53 314
Loco Engines and Tenders and parts thereof	value	.....	.....	.....	42,19,930	2,28,99,140	7,04,45,624
Bridge work	tons.	951	5,086	12,200	2,63,950	16,32,830	65,83,839
Rails, chairs. Fish Plates of Steel or Iron	"	22,864	30,560	59,885	49,48,320	65,73,010	1,82,81,819
Sleepers and keys of Steel or Iron ...	"	9,333	18,867	30,961	18,87,740	43,57,660	75,39,301
Sleepers of Wood	"	222	10,272	23,681	29,580	19,89,780	46,78,556
Other kinds	"	3,091	11,830	9,125	13,92,860	44,08,350	58,11,059
Rubber, Raw	lbs,	25,723	1,690	7,710	50,960	1,390	4,924
" Tyres and Tubes	No.	207,812	464,916	255,064	1,06,14,370	1,68,65,220	1,00,07,871
" Other Manufactures	value	.....	.....	.....	49,68,690	91,84,450	40,63.940
Salt	tons	481,749	614,674	479,306	2,31,11,680	2,36,98,970	1,57,94,763
Seeds—							
Essential	"	641	2,344	663	4,41,600	11,07,540	3,12,447
Copra or Cocoanut Kernel	"	28,596	8,138	4,920	1,10,78,550	34.11,360	22,39,106
Other Sorts	"	2,211	2,224	2,799	9,59,230	9,29,910	7,60,592
Shells and Cowries	cwts.	23,496	34,220	40,510	3,23,310	4,30,720	3,91,357
Ships, parts of (including Launches and Boats)	value.	.....	.....	.....	27,88,050	16,23,420	69,08,495
Smoker's Requisites (excluding Tobacco) ...	"	.....	.....	.....	8,82,240	9,89,480	4,92,356
Soap	cwts.	260,065	366,978	200,530	1,10,34,990	1,61,24,600	76,98,843
Spices :—							
Betelnuts	cwts.	1249,514	1009,248	989,307	1,71,49,935	1,53,72,350	1,37,37,639
Cloves	"	115,646	39,653	78,260	72,10,110	26,47,610	50,38,067
Ginger	"	2,007	1,098	728	64,520	35,960	24,937
Nutmegs	"	14,578	9,442	13,172	5,68,850	3,36,250	3,52,310
Pepper	"	10,585	10,867	10,948	6,05,860	5,57,680	4,80,449
Other Sorts	"	5,519	6,264	6,837	4,14,120	3,70,650	3,61,149
Starch and Farina	"	146,813	120,241	99,533	24,92,960	21,43,130	15,38,737
Stationery	value.	.....	.....	.....	78,46,560	1,61,12,340	1,13,81,647

FOREIGN TRADE OF BRITISH INDIA—IMPORTS—(*continued*)

Articles.	Quantities.			Value		
	1919	1920	1921	1919	1920	1921
				Rs.	Rs.	Rs.
Stone and Marble ... ... tons	5,301	11,289	7,458	5,35,730	12,24,720	6,99,013
Sugar, 16 Dutch Standard and above ... "	419,381	312,998	5,83,986	18,26,70,760	21,80,85,010	24,40.18,708
" 15 Dutch Standard and above ... "	345	677	506	1,56,320	4,11,870	1,13,930
" Molasses ... ... "	57,252	91,918	78,170	70,64,920	1,01,97,030	62,33,777
" Confectionery ... ... "	851	1,905	602	14,65.180	42,74,580	18,85,500
" Saccharin ... ... "	10	29	20	2,42,940	8,14,160	4,86,804
Tallow and Stearine including grease and animal fats ... ... cwts.	24,583	88,161	51,530	14,67,300	49,96,370	23,23,763
Tea :—						
Black ... ... lbs.	4,733,504	2,567,443	1,227,534	29,56,360	15,88,460	7,53,211
Green ... ... "	4,574,561	2,708.399	3,723,854	41,34,420	22,66,270	32,27,281
Tea Chests, entire or in sections ... value.	.....	.....	.....	88,58,000	73,68,680	80,79,535
Telegraphs materials for construction and Accessories ... ... "	.....	.....	.....	50,040	57,810	4,59,761
Telephones materials for construction and Accessories .. .. "	.....	.....	.....	1,85,070	3,95,020	22,01,781
Textiles :—						
Cotton Raw ... ... tons	2,995	4,229	27,168	65,21,540	93,81,300	3,78,25,157
" Waste ... ... cwts	238	158	50	7,570	5,750	1,868
" Twist and yarn ... ... lbs,	16,433,806	43,632,409	49,214,056	4,44,82,240	12,71,67,640	10,73,59,324
" Handkerchiefs ... ... No.	2,502,482	10,333,778	3,480,061	6,74,890	30,57,910	8,57,727
" Shawls ... ... "	99,441	875,494	284,796	2,26,380	18,82,380	5,73,368
" Hosiery Underwear ... ... value	.....	.....	.....	1,32,19,110	98,20,310	42,16,851
" " Other sorts ... ... "	.....	.....	.....		1,06,17,120	31,39,701

Cotton Grey Piece Goods	yards.	5,22,914,413	600,566,342	659,248,686	21,40,73,570	27,74,30,810	24,54,63,336
„ White „ „	„	248,034,187	474,667,975	291,835,933	11,97,02,530	25,32,46,820	12,23,71,146
„ Coloured printed or dyed piece goods	„	147,946,285	490,580,967	196,573,498	8,63,38,940	34,58,34,270	11,75,94,938
„ Fents of all descriptions ...	„	14,811,506	20,749,155	11,056,652	40,64,900	1,00,17.520	29,69,760
„ Thread, sewing...	lbs.	873,359	1,627,625	988,167	43,50,780	88,94,670	70,35,515
„ Manufactures other Sorts ...	value	.....	.....	.....	82,91,660	1,43,41,150	93,26,032
Flax Raw	lbs.	.....	.....	5,379	.....	.....	5,440
„ Twist and yarn...	„	5,336	21,959	18,282	11,850	53,180	37,558
„ Canvas	yds.	922,673	1,617,785	737,587	23,99,400	38,14,790	23,22,913
„ Piece Goods	„	202,903	518,950	130,702	2,71,490	6,44,870	1,61,688
„ Thread	lbs.	125,342	110,252	59,751	5,78,260	4,33,420	3,18,300
„ Manufactures other Sorts ...	value	.....	.....	.....	5,82,230	9,96,220	8,90,498
Haberdashery and Millinery :—							
Lace and Embroidery	value	.....	.....	.....	99,71,690	73,28,010	17,90,527
Towels not in the Piece... ...	No.	.....	1,230,772	243,315		11,66,110	2,61,322
Other sorts	value	.....	.....	.....		1,98,24,860	75,92,074
Hemp Raw	cwts.	14,043	27,367	1,11,719	5,38,390	8,27,910	9,76,746
Jute—Raw	tons	2	7	16	360	1,490	4,104
„ Manufactures including Twist and yarn	value	.....	.....	.....	25,93,710	28,35,960	22,06,517
Silk—Raw	lbs.	2,150,273	1,911,268	1,629,841	1,59,32,970	1,58,61,020	1,38,18,354
„ Waste	lbs.	50,720	112,098	149,716	1.34,330	3,05 820	2,86,065
„ Yarn Noils and Warps ...	„	549,747	681,183	592,267	37,25,660	70,19,240	51,60,677
„ Goods of, mixed with other materials	yards	957,387	2,001,142	1,053,008	19,26,030	51,85,180	21,78,053
„ Piece Goods	„	24,054,132	24,697,930	17,093,089	4,10,56,920	4,75,48,830	2,92,12,148
Silk—Thread for sewing.	lbs.	3,778	7,630	2,681	50,520	97,140	60,854
„ Manufactures other Sorts	„	91,712	67,351	39,874	16,03,800	13,77,900	7,27,106
Artificial Silk: –							
Artificial Silk Yarn	lbs.	138,515	100,172	67,432	12,74,100	8,43,500	4,55,103
Piece Goods of Cotton and artificial Silk	yards.	3,912,984	87,48,402	1,532,845	36,59,980	1,16,96,690	22,89,042
Wool, Raw	lbs.	1,810,173	937,371	1,250,902	8,84,450	5,49,550	9,55,553
„ Shawls	No.	16,593	17,993	34,968	9[illegible],280	1,26,090	1,61,356
„ Braids	lbs.	2,813	14,031	10,325	13,530	43,900	79,182
„ Piece-Goods	yards.	3,273,218	10,829,169	3,132,304	1,15,59,690	4,47.30,200	1,31,71,968
„ Yarn and Knitting	lbs.	111,931	226,786	420,006	7.45,080	16,66,570	23,11,127

FOREIGN TRADE OF BRITISH INDIA—IMPORTS—(*concluded*).

Articles.	Quantities.			Value.		
	1919.	1920.	1921.	1919.	1920.	1921.
				Rs.	Rs.	Rs.
Wool, Blankets ... ... lbs.	.....	269,859	77,070	.....	5,23,930	2,35,047
" Carpets and Rugs ... ... "	344,549	595,053	322,415	9,78,970	22,17,350	13,97,905
" Hosiery ... ... "	145,386	314,271	95,771	9,16,850	27,50,520	11,36,469
" Manufactures, Other Sorts ... "	225,463	286,704	196,691	4,32,590	5,48,280	5,31,629
Tobacco—						
Unmanufactured ... ... lbs.	804,749	664,520	947,375	10,49,420	9,36,600	13,05,287
Manufactured Cigars ... ... "	69,122	81,305	27,719	3,22,050	4,64,360	2,51,884
" Cigarettes... ... ... "	3,968,072	6,611,238	2,639,680	1,69,72,870	2,72,27,530	1,23,24,484
" for Pipes and Cigarettes "	678,973	595.729	176,354	17,20,600	24,27,200	11,27,280
" Other Sorts ... ... "		191,850	39,587		6,32,830	1,70,490
Toilet Requisites ... ... value	.....	.....	.....	40,47,140	58,69.840	21,03,705
Toys and Requisites for Games and Sports "	.....	.....	.....	50,29,140	61,74,120	36,98,070
Umbrellas ... ... No.	269,981	635,450	438,767	6,17,000	16,30,350	16,56,694
Umbrella fittings ... ... value.	.....	.....	.....	8,78,340	22,14,200	17,13,745
Wax of all kinds other than Paraffin wax. cwts.	2,532	3,146	2,771	1,00,470	1,35,700	1,55,003
Wood and Timber ... ... cubic tons.	59,940	68,560	57,638	1,10,85,375	1,16,08,540	88,73,323
Wood Fire wood ... ... tons.	1,492	2,671	1,419	23,190	1,27,660	23,661
" Ornamental Sandal... ... ... "	383	804	373	2,07,280	3,58,190	1,75,281
" " other kinds ... ... value.	.....	.....	.....	42,090	77,360	48,759
" Manufactures other than Cabinet-ware and Furniture... ... ... "	.....	.....	.....	37,81,620	38,16,420	32,68,654
Articles imported by Post ... ... "	.....	.....	.....	3,83,04,260	6,88,95,340	4,56,99,430
All other Articles ... ... "	.....	.....	.....	72,12,870	65,49,190	54,81,737
Total Value Rs. ...	.....	.....	.....	1,85,51,77,870	3,23,14,84,380	2,78,29,09,480

FOREIGN TRADE OF BRITISH INDIA—EXPORTS.

Quantities and Value of the Principal Articles exported in the years ending 31st December 1919, 1920 and 1921.

Articles.	Quantities.			Value.		
	1919.	1920.	1921.	1919.	1920.	1921.
				Rs.	Rs.	Rs.
INDIAN PRODUCE AND MANUFACTURES.						
Animals living ... ... No.	218,172	239,173	248,387	33,38,415	35,33,330	30,63,725
Apparel ... ... value.	.....	.....	.....	14,14,500	16,01,910	25,05,894
Books, Printed and Printed matter... ... cwts.	3,066	3,836	4,635	3,14,070	3,84,780	6,50,068
Boots and Shoes ... ... pairs.	322,804	322,761	143,042	11,15,040	15,41,150	5,20,622
Bristles... ... ... cwts.	2,199	4,034	2,177	11,61,630	18,89,410	12,38,132
Building and Engineering Materials of all kinds ... ... value	.....	.....	.....	9,71,470	9,50,450	12,65,217
Candles ... ... lbs.	12,957,615	7,869,489	4,327,153	39,91,660	23,92,660	12,92,412
Casein... ... ... cwts.	.....	11,808	7,027	.....	3,11,120	2,26,912
Chemicals and Chemical preparations:—						
Saltpetre ... ... cwts.	344,414	442,654	257,873	55,40,760	75,27,400	47,93,472
Borax... ... ... „	5,607	1,493	5,084	1,78,980	1,44,970	1,73,166
Other Sorts ... ... value	.....	.....	.....	4,78,330	6,02,910	2,41,122
Coal, Coke and Patent Fuel—						
Coal ... ... tons	507,930	1,222,517	273,648	60,08,940	1,56,51,530	37,53,877
Coke ... ... „	607	2,241	1,923	29,160	61,510	93,518
Coffee ... ... cwts.	328,502	173,275	268,479	2,00,88,230	1,15,20,410	1,48,82,570
Coir unmanufactured ... ... tons.	452	421	429	98,340	1,05,920	1,05,326
„ Manufactured	35,369	33,404	25,304	93,37,000	1,07,56,160	81,48,274

FOREIGN TRADE OF BRITISH INDIA—EXPORTS—(*continued*).

ARTICLES.		Quantities.			Value.		
		1919.	1920.	1921.	1919.	1920.	1921.
					Rs.	Rs.	Rs.
Cordage and Rope of Vegetable Fibre ...	cwts.	58,479	56,706	52,456	12,30,590	13,54,160	13,40,180
Drugs and Medicines excluding Chemicals and Narcotics—							
Nux Vomica (strychnia)	"	56,519	58,787	57,039	9,07,180	11,82,120	16,15,569
Senna	"	48,342	37,561	35,044	16,25,050	13,72,160	8,58,976
Cinchona Bark	lbs.	187,732	243,146	313,549	73,550	1,38,470	1,58,958
Other Sorts	value	.....	.....	.....	14,79,780	17,59,440	10,97,223
Dyeing and Tanning Substances—							
Barks for Tanning	cwts.	.....	6,868	5,172	.....	47,530	27,350
Myrabollam Extracts	"	.....	25,185	37,820	.....	5,37,340	4,72,455
Indigo	"	24,285	18,517	13,293	97,62,870	78,60,740	53,25,141
Myrabollams	"	1,542,331	1,042,258	1,030,171	85,40,560	56,30,690	47,88,788
Cutch and Gambier	"	41,549	54,698	29,265	9,94,500	12,85,780	5,83,200
Turmeric	"	76,762	65,231	44,914	14,81,700	11,50,600	8,40,149
Other Sorts	"	20,730	19,539	21,506	3,74,420	3,20,340	2,04,810
Fibre for Brushes and Brooms	tons.	8,477	3,549	3,061	40,60,480	13,45,580	10,98,046
Fish—(dry salted and unsalted)	cwts.	217,158	194,595	265,528	35,79,420	34,94,080	44,99,610
Fishmaws and Sharkfins	"	7,680	12,103	8,463	12,87,750	18,56,240	14,27,955
Fish—Wet Salted	"	448	1,200	5,360	18,000	10,830	1,01,138
Fodder, Bran and Pollards:—							
Bran and Pollards	tons.	179,363	207,495	181,639	82,77,410	1,16,13,280	1,09,58,287
Rice Meal	cwts.	155,250	105,457	207,353	3,20,500	2,45,230	6,45,636
Other Sorts	"	34,976	95,840	26,384	3,14,130	5,90,170	2,40,176

Fruits and Vegetables (Fresh)	value.	.....	.....	.....	38,53,290	38,59,650	40,16,091
Do. (Dry)	tons.	11,537	27,455	10,523	27,47,160	22,74,190	20,65,178
Furniture and Cabinetware	value.	.....	.....	.....	5,43,340	8,03,730	6,49,867
Glass and Glassware	"	.....	.....	.....	1,43,910	1,77,620	1,11,247
Grain, Pulse and Flour—							
Rice in the husk	tons.	39,260	21,901	43,887	25,90,485	22,91,500	38,37,110
" not in the husk	"	668,700	1,030,806	1,162,265	9,47,63,320	17,79,54,740	20,75,78,447
" Flour and Ground Rice... ...	"	3,506	5,410	40	7,94,440	13,87,960	7,606
Wheat	"	8,870	52,761	267,131	21,02,350	93,29,700	4,66,14,160
Wheat Flour	"	39,892	59,052	69,378	1,22,18,450	1,73,90,390	1,99,72,963
Barley	tons.	12,822	5,158	11,196	19,32,900	10,91,200	23,65,592
Jawar and Bajree	"	5,115	15,556	4,179	11,15,820	28,97,260	6,97,892
Maize	"	67	3,150	3,042	10,490	3,79,940	2,71,687
Pulse Beans	"	69,332	78,653	48,252	1,32,98,190	1,22,01,700	63,44,596
" Gram	"	16,600	5,446	5,554	26,28,750	11,46,590	11,73,008
" Lentils	"	13,888	2,060	1,402	29,11,890	5,70,680	3,83,678
" other sorts...	"	13,980	18,139	21,318	29,27,250	42,31,550	49,32,073
Other Sorts	"	1,166	18,138	6,699	2,64,100	33,52,900	10,66,827
Gums and Resins	cwts.	39,443	30,355	8,115	17,39,740	10,83,760	2,81,669
Hardware and Cutlery	value.	.....	.....	.....	5,85,940	8,17,270	7,54,467
Hides and Skins							
Hides (raw)	tons.	49,339	24,952	23,258	7,75,44,310	2,95,24,820	1,69,51,698
Skins (raw)	"	38,252	16,081	17,993	15,28,94,860	5,94,87,760	3,37,17,549
Cuttings of Hides and Skins (raw) ...	"	1,449	1,223	912	2,56,880	1,42,760	1,07,288
Hides (tanned or dressed)	"	27,978	7,179	5,446	8,89,61,720	2,14,95,500	1,23,73,708
Skins " "	"	6,367	3,137	3,650	6,04,93,590	2,67,59,180	2,21,77,535
Horn Tips, Horn Metal and pieces of Horn	cwts.	77,272	42,602	59,647	21,73,140	8,43,040	9,15,986
Jadestone	"	2,977	4,436	4,271	8,71,030	12,03,800	19,01,169
Lac—Button	"	12,638	12,201	7,867	22,51,570	36,14,460	15,76,093
" Seed	"	3,524	2,133	1,441	4,73,190	4,26,770	2,65,005
" Shell	"	295,352	298,972	352,177	5,10,71,840	8,14,29,260	6,76,13,890
" Stick	"	1,596	630	844	1,02,210	84,160	1,11,931

FOREIGN TRADE OF BRITISH INDIA—EXPORTS—(*continued.*)

Articles.	Quantities.			Value.		
	1919.	1920.	1921.	1919.	1920.	1921.
				Rs.	Rs.	Rs.
Lac—Other Kinds ... ... cwts.	14,158	20,079	31,984	5,66,490	9,77,420	6,72,834
Leather—Unwrought ... ... "	5,302	9,725	5,416	10,80,870	13,62,900	7,17,525
Liquors ... ... gals.	878	1,366	2,963	12,780	12,450	32,489
Manures—Bones ... ... tons.	61,964	107,843	83,100	51,99,780	1,10,20,510	82,08,713
" Fish Manure and Guano—	24,511	29,801	6,792	31,86,250	42,53,510	10,18,977
" Sulphate of Ammonia ... ... "	3,964	5,890	3,256	12,16,080	8,27,570	8,64,422
" Other kinds ... ... "	6,334	2,945	3,601	8,82,800	4,88,370	3,78,795
Metals & Ores:—						
Brass, Bronze & Similar Alloys ... cwts	3,479	2,567	2,969	5,77,430	4,06,990	4,77,572
Chromite (chrome Iron Ore) ... ... tons.	11,455	30,675	28,741	3,51,250	10,30,280	9,87,565
Copper ... ... cwts.	1,615	1,599	1,543	2,41,350	2,30,100	1,90,299
Ferro Manganese ... ... tons.	3,371	3,877	.....	13,26,730	7,07,030	.....
Iron or Steel Pig .. ... "	38,711	44,368	51,942	41,17,230	50,19,230	52,37,333
" Other Sorts ... ... "	857	1,301	621	3,17,630	3,51,750	3,10,881
Lead—Pig ... ... cwts.	214,214	429,555	612,483	40,77,660	84,93,070	1,09,31,290
" Other Sorts ... . "	.....	252	118	.....	5,320	5,659
Manganee Ore ... ... tons.	370,459	710,856	539,889	69,77,320	1,53,30,160	1,33,72,004
Tin ... ... cwts.	16	66	282	2,760	9,760	42,379
" Ore ... ... "	500	704	1,610	10,50,410	15,53,600	31,44,786
Wolfram Ore ... ... tons.	3,933	2,939	662	78,04,330	40,76,750	9,62,512
Zinc or Spelter all Sorts ... .. cwts.	5	1,500	80,000	390	3,040	3,00,139
Other Sorts of Metals ... ... "	313	2,249	1,455	1,13,050	6,45,470	4,55,031
" of ores ... ... tons.	285	1,096	5,174	2,00,060	44,030	1,13,900

Mica	cwts.	59,098	76,517	30,944	86,34,480	1,06,54,380	63,94,113
Monazite	tons.	.....	940	.....	.....	6,34,520	.....
Oils—							
Castor	gals.	362,872	367,491	180,935	13,84,155	9,89,640	3,79,756
Cocoanut	"	5,827,374	878,332	1,575,285	1,66,35,200	28,86,240	49,58,700
Linseed	"	580,994	347,142	44,282	26,04,750	16,83,230	1,86,437
Mineral—Benzine and Petrol	"	33,809,085	21,240,678	19,516,398	31,69,600	19,91,530	18,31,266
" Other Sorts	"	1,757,658	823,214	2,729,225	5,30,770	3,84,160	4,24,853
Sandalwood	lbs.	147,631	180,961	54,918	34,57,010	45,11,100	12,59,569
Animal...	gals.	293,544	252,011	39,676	2,74,550	2,47,760	35,183
Essential excluding Sandalwood oil ...	"	45,979	62,392	51,428	14,90,790	25,26,090	13,98,824
Mustard or rape	"	355,151	376,348	334,285	12,56,190	10,66,230	8,75,947
Gingelly	"	119,245	127,159	120,672	3,67,030	4,35,770	3,21,126
Other Sorts	"	913,233	249,732	97,189	30,41,820	8,37,090	2,95,834
Oil Cakes:—							
Castor Cake	tons.	4,397	2,198	320	4,42,320	2,63,420	28,379
Cocoanut Cake	"	4,511	133	2,141	4,89,000	23,150	3,70,079
Cotton Cake	"	7,669	9,031	2,780	5,27,250	9,51,200	3,00,918
Ground nut Cake	"	82,771	55,481	45,742	1,00,20,660	61,77,320	49,59,087
Linseed Cake	"	14,055	10,203	10,450	18,03,990	16,19,120	14,55,013
Rape and Teelseed Cake	"	21,348	36,993	30,228	32,55,380	51,80,650	40,28,967
Other Sorts	"	1,373	1,342	1,152	1,31,110	1,18,050	1,09,150
Opium—	chests	7,691	7,181	6,801	2,36,98,620	2,37,17,480	2,21,46,204
	cwts.	11,282	10,523	10,016			
Paraffin Wax	tons.	26,624	23,093	31,069	1,21,62,520	1,01,43,920	1,41,09,357
Perfumery	value.	.....	.....	.....	1,31,550	1,57,270	1,53,262
Precious Stones and Pearls	"	.....	.....	.....	1,57,330	1,10,090	33,417
Provisions and Oilmanstores—							
Butter	cwts.	6,264	2,248	4,795	7,97,490	3,45,690	6,63,883
Ghee	"	34,056	49,238	52,280	34,67,270	48,91,750	49,81,402

FOREIGN TRADE OF BRITISH INDIA—EXPORTS—(*continued*).

Articles.		Quantities.			Value.		
		1919.	1920.	1921.	1919.	1920.	1921.
					Rs.	Rs.	Rs.
Pickles, Chutney and Condiments	... cwts.	23,543	23,314	20,694	8,04,520	9,16,420	10,95,637
Other Sorts	,,	37,351	33,532	25,748	12,62,900	9,52,680	6,83,787
Railway Plant and Rolling Stock—							
Teak Keys	tons.	.....	1,788	1,709	.....	2,60,870	2,35,770
Other Sorts	value.	.....	.....	.....	2,80,660	1,86,770	11,72,561
Rubber Raw	lbs.	14,681,395	14,282,794	11,883,224	2,36,41,990	1,68,29,950	1,05,89,299
Salt	tons	2,505	827	600	1,69,740	57,330	17,907
Seeds :—							
Essential...	,,	6,888	6,060	7,436	23,98,290	21,45,180	24,67,985
Caster Seed	,,	10,475	14,699	29,621	31,13,590	34,40,250	63,21,390
Copra or Cocoanut kernel	,,	10,729	1,555	3,099	50,50,920	8,13,380	15,06,902
Cotton	,,	196,413	146,657	52,203	3,00,63,730	1,62,07,570	62,67,131
Groundnuts	,,	57,742	121,142	171,230	2,31,50,100	3,98,13,080	4,41,78,331
Linseed	,,	333,516	195,980	106,607	12,42,58,810	6,50,58,270	2,63,05,362
Mowra	,,	1,755	3,804	2,447	3,56,850	6,79,390	4,10,778
Mustard	,,	3,309	1,412	674	17,84,240	5,51,880	2,17,254
Poppy	,,	7,906	3,828	6,622	36,93,900	15,02,230	21,34,295
Rapeseed	,,	118,573	182,362	56,050	3,78,37,650	5,30,39,480	1,60,65,200
Teelseed...	,,	20,143	39,991	10,812	85,11,970	1,92,90,970	35,89,096
Other Sorts	,,	961	383	680	5,13,450	1,99,510	2,93,092

Shells and Cowries ... ... value.	.....	.....	.....	2,02,510	1,41,760	1,55,831
Spices :—						
Cardomoms ... ... cwts.	17,283	5,912	5,206	27,03,550	9,29,610	7,31,546
Chillies ... ... „	96,632	162,154	141,014	37,99,590	38,60,680	33,72,885
Ginger ... ... „	64,623	51,369	59,065	20,05,500	15,32,180	15,20,224
Pepper ... ... „	132,368	56,988	84 343	72,35,200	27,57,800	26,73,316
Other Sorts ... ... „	7,165	5,075	4,937	2,78,310	2,03,790	1,83,453
Stationery ... ... value.	.....	.....	.....	1,52,670	1,36,710	1,32,030
Sugar 16 Dutch Standard and above ... tons.	2,715	4,296	1,402	13,88,610	37,08,300	10,73,231
„ 15 „ „ and below ... „	8,686	22,875	5,721	20,84,430	76,36,060	17,70,159
„ Confectionery ... ... „	104	34	54	1,13,190	47,810	69,977
Tallow and Stearine ... ... cwts.	12,584	13,852	9,522	5,47,760	7,14,340	4,10,870
Tea Black ... ... lbs.	371,459,698	268,839,330	345,641,166	20,01,93,180	12,60,44,760	17,68,98,302
„ Green ... ... „	4,418	228,295	357,242	3,950	46,090	1,71,350
„ Waste for manufacture of Caffeine ... „	6,318,781	7,197,819	4,381,006	13,25,970	11,92,970	7,95,746
Textiles :—						
Cotton Raw ... ... Bales	1,820,487	2,438,176	2,656,119	45,82,11,230	55,62,46,670	45,89,08,552
Cotton Raw ... ... tons	325,087	435,579	474,452			
„ Waste ... ... cwts.	202,217	267,207	204,070	60,58,230	70,54,370	43,98,688
„ Kapok ... ... „	13,015	23,875	5,402	5,86,530	15,41,060	1,95,631
„ Twist and Yarn ... ... lbs.	143,599,226	100,736,666	80,468,648	16,73,46,970	12,94,88,500	7,78,78,220
„ Handkerchiefs and Shawls ... No	2,128,198	2,928,353	802,281	19,62,450	37,32,680	7,56,458
Cotton Piece Goods Grey ... ... yds.	71,181,139	59,258,206	26,032,873	2,73,43,680	2,64,28,930	1,09,51,117
„ „ „ White ... ... „	1,929,026	2,077,864	981,096	8,09,070	12,64,830	5,67,854
„ „ „ Coloured Printed or dyed „	128,830,810	99,669,320	132,033,335	5,98,54,530	5,28,01,820	6,33,35,980
„ Thread ... ... lbs.	221,696	188,885	179,559	3,54,370	3,11,960	2,98,255
„ Manufactures other Sorts ... value.	.....	.....	.....	16,17,350	22,02,820	33,01,670
Flax Raw ... ... lbs.	3,360	9,408	20,424	300	19,160	21,832
„ Manufactures including Twist & Yarn value	.....	.....	.....	36,330	11,970	22,223
Haberdashery and Millinery ... ... „	.....	.....	.....	2,61,820	1,61,420	4,22,026
Hemp Raw ... ... cwts.	854,779	470,726	247,676	2,32,80,260	1,04,77,600	41,95,792
Jute Raw ... ... tons.	564,298	498,556	426,783	24,06,12,610	17,68,44,120	13,23,01,353
„ Twist and Yarn... ... ... lbs.	2,810,545	10,084,708	3,507,930	9,88,750	35,40,840	9,61,538

FOREIGN TRADE OF BRITISH INDIA—EXPORTS—(*continued.*)

Articles.		Quantities.			Value.		
		1919.	1920.	1921.	1919.	1920.	1921.
					Rs.	Rs.	Rs.
Jute Gunny Bags	no.	362,101,513	514,414,149	409,047,227	18,99,80,880	24,79,19,350	14,56,19,524
	tons.	317,559	461,933	359,638			
„ Gunny Cloth	yds.	1,178,492,497	1,436,312,133	1,101,981,037	28,12,79,130	32,54,86,890	16,51,81,287
	tons.	314,310	380,355	284,024			
„ Rope and Twine	cwts.	56,018	72,372	51,853	18,04,500	20,15,600	10,29,472
„ Manufactures Other Sorts ...	„	740	3,920	1,744	56,160	1,16,350	1,76,511
Silk Raw	lbs.	258,928	95,983	125,282	41,44,740	16,33,450	15,82,703
„ Chasam (Waste) and Caccons ...	„	1,196,764	1,138,147	911,232	14,19,580	15,36,450	11,03,496
„ Goods Mixed with Other Materials	yds.	408,033	85,653	71,813	5,04,570	1,61,450	1,17,015
„ Piece Goods	„	279,291	228,131	63,775	5,49,750	4,09,160	1,38,425
„ Other Sorts	lbs.	2,840	2,363	796	12,060	11,450	4,359
Wool, Raw	„	36,095,036	28,927,958	24,111,634	3,97,23,400	3,03,70,790	1,80,54,724
„ Carpets and Rugs	„	2,225,387	2,885,781	2,534,021	53,57,640	81,87,690	61,18,170
„ Manufactures, Other Sorts	...value.	.....	.....	.....	4,73,235	4,55,870	2,36,112
Tobacco :—							
Unmanufactured	lbs.	35,464,485	28,425,330	22,539,491	88,18,080	75,18,580	61,12,376
Manufactured Cigars	„	671,325	610,252	441,883	8,82,390	7,86,360	5,72,336
„ Cigarettes	„	244,295	110,536	78,705	4,91,670	1,86,450	93,692
„ Other Sorts	„	764,703	826,663	864,596	3,25,210	3,22,660	4,19,395
Wax of all kinds (excluding Paraffin Wax and Candles)	cwts.	4,677	856	5,981	4.99,810	2,32,550	5,84,218
Wood and Timber—							
Wood, Teak	cubic tons.	47,493	51,449	16,812	1,13,97,730	1,35,11,270	49,59,520

Wood—Other Timber ... ... cubic tons.	5,896	7,651	3,686	4,43,590	9,51,610	4,24,873
" Ornamental Sandalwood ... tons.	354	377	227	6,77,640	6,60,100	4,26,824
" " Other Sorts ...value.	.....	.....	.....	67,660	52,440	67,572
" Firewood ... . tons.	3,394	2,956	3,082	72,000	64,020	64,123
" Manufactures of, excluding Furniture and Cabinetware ...value.	.....	.....	.....	5,08,635	2,44,940	5,08,788
Articles exported by Post ... ... "	.....	.....	.....	1,81,78,870	2,65,54,180	3,19,87,663
All other Articles ... ... "	.....	.....	.....	59,66,915	49,70,970	48,79,915
Total Value Rs. ...	.....	.....	.....	2,87,37,82,110	2,72,58,12,850	2,12,26,93,694
FOREIGN MERCHANDISE.						
Animals Living ... ... No.	55	78	125	1,54,760	2,19,140	1,72,320
Apparel ... ... value.	.....	.....	.....	41,20,110	44,95,140	67,44,528
Books Printed and Printed Matter... ... cwts.	1,120	1,674	2,412	2,20,850	3,54,160	5,34,358
Boots and Shoes* ... ... pairs.	64,002	48,235	41,178	4,59,740	3,65,850	4,83,019
Carriages and Carts ... ... value	.....	.....	.....	13,10,050	19,14,730	21,48,639
Chemicals and Chemical Preparations ... value.	.....	.....	.....	9,17,300	6,28,490	6,57,116
Coal, Coke and Patent Fuel ... ... tons.	98	114	2,281	9,320	6,430	75,487
Coffee ... ... cwts.	12,229	29,905	21,361	6,85,290	13,66,540	9,07,106
Cutlery ... ... value.	.....	.....	.....	3,92,990	4,98,170	6,36,595
Drugs and Medicines ... ... "	.....	.....	.....	25,48,050	30,83,300	10,79,511
Dyeing and Tanning Substances ... ... cwts.	3,835	474	2,261	5,68,300	4,07,200	5,81,550
Earthenware and Porcelain... ... ... value.	.....	.....	.....	6,97,080	8,94,590	6,59,800
Electroplated ware ... ... "	.....	.....	.....	54,490	54,370	69,747
Fish (excluding Canned Fish) ... ... cwts.	5,805	2,440	6,175	9,47,700	12,83,020	13,38,162
Fruits and Vegetables ... ... value.	.....	.....	.....	48,96,020	69,04,400	43,62,238
Furniture and Cabinetware... ... ... "	.....	.....	.....	2,08,050	3,03,110	3,61,128
Glass and Glassware... ... ... "	.....	.....	.....	14,92,740	18,81,750	15,89,911
Grain Pulse and Flour ... ... tons.	384	1	56	15,17,390	6,440	10,522
Gums and Resins ... ... cwts.	44,416	10,300	44,394	29,69,580	27,85,900	19,66,133
Hardware ... ... value.	.....	.....	.....	29,80,600	32,96,730	28,15,770
Hides and Skins Raw ... ... tons.	1	127	79	5,290	52,30,980	17,49,204
Instruments, Apparatus and Appliances and parts thereof. ... ... value	.....	.....	.....	10,31,230	7,14,310	13,79,859

* Of Leather and other materials.

FOREIGN TRADE OF BRITISH INDIA—EXPORTS—(*concluded.*)

ARTICLES.		Quantities.			Value.		
		1919.	1920.	1921.	1919.	1920.	1921.
					Rs.	Rs.	Rs.
Ivory unmanufactured	lbs.	151,795	164,742	153,610	9,48,560	9,84,390	9,96,675
Jewellery and Plate of Gold and Silver ...	value.	.....	.....	.....	3,97,350	4,12,160	4,66,674
Leather Hides and Skins (tanned or dressed)	"	.....	.....	.....	3,78,390	3,34,290	22,32,053
Liquors	gals.	97,849	60,429	50,304	9,80,540	5,37,310	6,79,180
Machinery and Mill Work	value.	.....	.....	.....	11,86,070	17,78,350	18,64,985
Matches	gross.	565,951	409,271	173,290	10,45,440	7,27,790	3,41,432
Metals and Ores	tons.	3,145	6,200	8,352	38,60,720	54,30,440	21,24,303
Oils	value.	.....	.....	.....	7,52,710	16,53,110	6,11,996
Paints and Colours	cwts.	4,094	3,282	4,444	3,25,260	2,79,680	3,69,243
Paper and Paste board	value.	.....	.....	.....	5,71,950	6,78,470	8,58,115
Precious Stones and Pearls unset	"	.....	.....	.....	1,34,100	96,690	1,99,987
Provisions and Oilman stores	cwts.	24,221	24,146	23,793	15,07,390	13,56,980	16,96,548
Railway Plant and Rolling Stock	value.	.....	.....	.....	38,200	29,600	85,506
Rubber, Raw and Manufactures	"	.....	.....	.....	2,73,550	4,20,220	5,12,836
Soap	cwts.	29,641	9,436	3,910	12,30,510	6,15,230	2,02,742
Spices	"	39,771	11,604	18,243	36,44,520	7,92,960	12,41,799
Stationery	value.	.....	.....	.....	5,36,290	5,47,590	6,36,596
Sugar 16 Dutch Standard and above ...	tons.	68,408	77,579	28,418	3,31,84,700	6,47,44,240	1,69,32,565
" 15 " " below ...	"	.....	1	20	.....	260	7,444
" Confectionery	"	55	45	60	1,07,350	96,610	66,795
Tea Black	lbs.	1,368,812	483,897	109,662	11,77,570	3,93,430	78,070
" Green	"	27,899	13,995	7,239	37,620	18,000	7,845

Textiles:—						
Cotton Raw	tons.	2	828	1,344	1,050	25,86,970	24,32,008
" Twist & Yarn	lbs.	3,648,071	378,467	545,836	49,72,630	9,46,610	10,48,323
" Handkerchiefs and Shawls ...	No.	1,187,902	569,387	275,446	9,50,250	7,64,230	4,45,146
" Grey Piece Goods	yards.	46,772,610	34,419,766	46,034,049	2,37,21,740	1,97,55,310	2,11,77,743
" White " "	"	26,567,981	8,779,718	8,393,347	1,39,52,360	49,99,350	40,87,644
" Coloured, Printed or Dyed Piece Goods	"	48,002,265	19,752,179	16,347,326	2,64,74,920	1,22,22,630	1,03,03,140
" Fents of all descriptions	"	68,762	25,275	32,162	49,660	11,560	13,710
" Thread	lbs.	281,555	100,350	94,725	6,48,540	2,20,410	1,97,182
" Manufactures Other Sorts ...	value.	.....	.....	.....	22,44,270	17,26,740	17,75,513
Flax Manufactures	"	.....	.....	.....	32,610	58,270	43,348
Haberdashery and Millinery	value.	.....	.....	.....	8,16,230	6,20,260	9,93,224
Hemp Manufactures	"	.....	.....	.....	4,470	8,860	5,424
Jute Manufactures	"	.....	.....	.....	20,520	17,890	.....
Silk Raw...	lbs.	139,482	119,737	39,430	10,03,640	6,58,930	3,18,047
" Yarn, Noils and Warps	"	19,372	15,855	34,301	45,440	26,050	3,41,489
" Piece-Goods	yards.	2,437,113	1,101,511	870,779	42,89,770	21,43,270	15,20,265
" Manufactures, Other Sorts	"	548,978	80,795	149,965	9,76,830	2,21,700	2,92,341
	lbs.	13,296	12,523	9,459			
Wool, Raw	"	14,616,464	10,838,451	12,777,719	1,39,61,080	1,03,13,370	84,20,953
" Manufactures, ...	value.	.....	.....	.....	32,81,040	29,05,620	42,83,926
Tobacco—							
Unmanufactured	lbs.	427,626	617,523	611,530	4,22,720	5,80,450	5,63,173
Manufactured	"	246,380	500,291	113,888	9,27,940	17,68,470	4,71,560
Umbrellas	Nos.	44,305	20,351	22,819	1,23,560	74,400	76,534
Wax of all kinds	cwts.	120	421	507	10,560	33,510	25,329
Wood and Timber	value.	.....	.....	.....	6,33,870	11,94,370	8,32,976
Articles re-exported by Post...	"	.....	.....	.....	60,37,810	66,03,350	43,64,820
All other Articles	"	.....	.....	.....	37,08,300	32,81,590	34,94,324
Total Value Rs. ...		.....	.....	.....	18,92,17,530	19,23,66,730	13,00,64,234
Grand Total Rs. ..		.....	.....	.....	3,06,29,99,640	2,91,81,79,580	2,25,27,57,928

FOREIGN TRADE OF THE BOMBAY PRESIDENCY—IMPORTS.

Quantities and Value of the Principal Articles imported in the years ending 31st December 1919, 1920 and 1921.

ARTICLE.		Quantities.			Value.		
		1919.	1920.	1921.	1919.	1920.	1921.
					Rs.	Rs.	Rs.
Animals, Living	... No.	1,839	1,757	2,238	8,23,476	18,36,280	16,97,551
Apparel (including Lamettas) ...	... value.	.....	.....	.....	1,19,35,850	1,57,28,198	89,02,612
Brushes and Brooms	... doz.	127,848	157,460	36,955	4,18,516	7,41,509	4,21,608
Haberdashery and Millinery ..	... value.	.....	.....	.....	56,00,610	1,55,54,595	45,60,592
Arms, Ammunition, &c.	... "	.....	.....	.....	8,36,335	12,57,776	17,62,833
Articles imported by Post	... "	.....	.....	.....	2,17,75,843	4,37,92,603	2,93,82,037
Books and Matters Printed	... cwts.	10,196	9,033	7,838	20,56,130	20,78,492	24,20,688
Buildings and Engineering Materials—							
Cement	... tons.	11,427	35,625	18,669	13,19,932	33,80,782	19,80,170
Bricks, Tiles, Clay and Other Sorts	... value.	.....	.....	.....	12,81,823	38,47,037	33,08,459
Buttons of all sorts	... "	.....	.....	.....	7,44,759	15,46,297	13,26,121
Candles	... lbs.	51,509	311,326	15,783	44,695	1,76,063	9,828
Cabinetware and Furniture... ...	... value.	.....	.....	.....	5,54,338	21,11,180	18,84,103
Canes and Rattans	... cwts.	21,627	30,284	29,601	2,86,494	2,77,983	4,03,429
Carriages and Parts of	... value.	.....	.....	.....	8,97,714	16,35,122	22,46,851
Coffee	... cwts.	15,029	43,688	13,173	7,81,056	20,01,487	4,89,220
Clocks and Watches	... No.	176,870	305,264	114,312	10,22,167	21,50,024	14,44,089
Do. parts of	... value.	.....	.....	.....	1,03,986	89,997	63,840

Coal, Coke and Patent Fuel	tons.	37,303	24,681	850,872	10,74,238	7,46,194	3,29,51,750
Cotton, Raw	cwts.	59,820	78,300	535,300	65,16,528	93,23,290	3,73,80,715
" Waste	"	12	.....	25	228	.....	111
" Twist and Yarn	lbs.	7,641,817	23.861,114	26,069,621	1,87,07,319	6,77,98,286	5,08,16,929
" Grey Piece-Goods	yards.	100,502,188	130,622,086	118,052,893	4,25,93,518	6,23,06,692	4,44,60,347
" White "	"	76,683,157	117,643,301	47,168,700	3,75,29,488	6,52,45,706	2,03,33,248
" Coloured "	"	58,302,664	188,190,081	54,302,323	3,53,80,795	13,22,79,766	3,46,30,055
" Fents...	"	11,765,094	14,923,375	9,861,618	30,25,444	67,14,870	25,16,868
" Shawls and Handkerchiefs	No.	2,321,748	5,645,709	704,582	8,45,173	22,47,561	6,90,299
" Canvas	yards.	165,447	261,933	215,830	6,07,078	3,99,024	2,62,581
" Hosiery	value.	.....	.....	.....	30,42,679	55,35,834	19,14,324
" Lace and Patent Nets	yards.	908,568	454,601	115,212	9,20,239	5,20,508	1,20,662
" Blankets	lbs.	160,626	482,174	472,796	1.68,001	5,95,449	3,95,509
" Rope	"	182,380	449,375	705,038	3,34,968	9,75,585	14,74,741
" Thread	"	364,143	566,220	424,094	17,15,166	29,64,697	26,12,074
" Manufactures, Other Sorts	value.	.....	.....	.....	7,78,299	16,89,417	11,47,387
Chemical Products and Preparations ...	"	.....	.....	.....	60,98,564	90,24,993	72,61,987
Flax-Canvas...	yards.	263,440	579,358	171,208	6,35,966	12,69,401	4,78,833
" Piece-Goods	"	85,710	362,798	102,152	1,17,907	3,73,538	89,986
" Thread	lbs.	79,460	19,899	26,499	4,16,398	1,38,296	1,71,861
" Manufactures, Other Sorts	value.	.....	.....	.....	2,33,055	5,73,799	2,55,327
Jute Canvas	yards.	239,386	458,424	139,670	5,29,171	6,13,022	2,30,310
" Manufactures, Other Sorts	value.	.....	.....	.....	70,716	2,85,360	1,19,850
Drugs and Medicines—							
Camphor	lbs.	168,865	342,506	259,321	7,74,052	24,64,993	9,77,721
Cassia Lignia	cwts.	30,163	24,491	29,973	10,36,721	7,88,594	8,52,505
Other Sorts	value.	.....	.....	.....	69,55,342	79,10,454	54,51,651
Opium	lbs.	85	10	.....	10,843	67	.....
Saccharine	"	12,772	45,013	24,032	1,54,979	5,39,867	2,43,846

FOREIGN TRADE OF THE BOMBAY PRESIDENCY.—IMPORTS.—(*continued.*)

Articles.	Quantities.			Value		
	1919	1920	1921	1919	1920	1921
				Rs.	Rs.	Rs.
Dyeing and Tanning Substances—						
Cochineal ... ...cwts.	1,284	5,149	2076	2,42,319	7,67,443	65,566
Cutch and Gambier ... ... "	1,671	939	664	57,234	34,255	21,268
Aniline ... ... lbs.	2,632,052	6,298,939	4,835,107	88,39,582	1,85,28,581	2,13,97,429
Alizarine ... ... "	1,448,685	2,592,463	3,796,461	14,33,030	44,35,411	53,45,296
Indigo .. ..cwts	128	755	1,318	25,680	2,24,073	6,85,385
Saffron ... ... lbs.	89,980	71,527	31,282	26,01,703	14,85,079	3,83,632
Other Sorts ... . "	16,924	27,575	4146	3,74,531	3,60,103	3,23,548
Earthenware and Porcelain ... ...value	.....	.....	.....	35,18,986	38,47,118	35,53,342
China Clay ... ...cwts	186,299	391,510	250,204	12,04,546	23,15,407	18,74,215
Fireworks ... ...valuc	.....	.....	.....	5,11,142	9,84,705	9,35,566
Glass and Glassware ... ... "	.....	.....	.....	89,36,147	1,81,58,259	1,18,01,864
Gums and Resins ... ...cwts.	85,879	85,846	60,961	28,65,260	26,01,222	17,36,009
Hides and Skins—						
Hides ... ...No.	11,398	126,462	8,642	1,24 729	13,48,857	1,28,029
" ... ... cwts.	1,071	9,684	980			
Skins ... ... No.	814,901	627,959	375,203	9,08,918	9,26,221	4,07,819
" ... ...cwts.	9,081	6,881	5,900			
Instruments and Apparatus and Appliances and parts thereof—						
Electrical ... ...value.	.....	.....	.....	65,84,145	1,05,48,230	2,20,91,041
Photographic ... ... "	.....	.....	.....	11,80,666	16,47,154	23,07,662

Scientific ... . value.	.....	.....	.....	11,70,373	15,34,707	16,04,352
Musical ... ... "	.....	.....	.....	2,63,400	9,51,756	9,60,732
Surgical ... ... "	.....	.....	.....	5,59,984	8,57,700	6,90,771
Other Sorts ... ... "	.....	.....	.....	4,12,197	7,56,139	10,53,044
Telephone Materials for Construction and Accessories... ... ... "	.....	.....	.....	66,390	3,19,993	12,63,448
Typewriters and Parts of and Accessories... "	.....	.....	.....	7,60,481	14,15,694	7,65,789
Ivory, unmanufactured ... ... lbs.	561,360	364,841	464,660	44,74,957	27,21,975	38,42,139
" manufactured... ... ... value.	.....	.....	.....	2,42,856	1,24,054	44,198
Jewellery and Plate of Gold and Silver ... "	.....	.....	.....	4,96,879	10,96,301	7,16,022
Precious Stones and Pearls unset ... "	.....	.....	.....	57,86,004	50,51,862	61,22,369
Leather Harness, Saddlery, &c. ... ... "	.....	.....	.....	16,81,965	49,24,842	40,49,861
" Unwrought ... ... cwts.	450	752	642	1,89,478	1,84,992	59,646
Beltings for Machinery (*b*) ... ... value.	.....	.....	.....	20,88,828	54,48,616	43,41,845
Boots and Shoes (*b*) ... ... pairs.	264,738	379,375	64,372	18,20,839	44,76,172	8,10,391
Wines & Spirits—						
Ale, Beer and Porter ... ... gallons	808,132	1,252,565	1,088,183	25,77,824	33,51,736	36,63,562
Spirits—						
Brandy ... ... "	101,902	214,251	148,313	19,98,809	33,89,504	25,46,319
Whisky ... ... "	223,904	257,567	187,886	40,27,170	38,84,200	38,63,064
Spirits, Other Sorts ... ... "	178,042	525,861	3,32,129	28,99,548	40,17,027	28,90,570
Wines, all Sorts ... ... "	140,109	155,553	100,595	20,94,987	24,45,432	16,59,409
Cider and other Liquors ... ... "	4,370	5,412	4,909	25,326	34,842	27,084
Bobbins ... ... value.	.....	.....	.....	33,83,035	39,71,485	74,55,490
Machinery and Millwork ... ... "	.....	.....	.....	2,40,99,805	4,59,33,062	11,88,90,921
Matches, Safety and Other Sorts. ...Gross of Boxes	5,258,730	7,959,850	4,996,756	69,14,963	1,00,44,799	67,53,212
Mats and Mattings ... ... square yards.	643,565	460,997	439,718	3,44,723	3,37,211	2,29,329

(*b*) Of Leather and other Materials.

FOREIGN TRADE OF THE BOMBAY PRESIDENCY—IMPORTS.—(*continued.*)

Articles.		Quantities.			Value.		
		1919.	1920.	1921	1919.	1920	1921.
					Rs.	Rs.	Rs.
Metals and Ores	tons	95,259	241,841	188,125	5,80,39,203	13,45,11,845	8,93,79,583
Hardware	value	.....	.....	.....	1,46,39,087	2,86,70,465	2,25,26,549
Cutlery	"	.....	.....	.....	12,72,380	18,54,840	8,36,919
Electroplatedware	"	.....	.....	.....	1,84,355	4,68,541	5,61,525
Sewing and Knitting Machines and Parts thereof	"	.....	.....	.....	13,50,836	21,74,424	6,17,150
Motor Cars and Motor Cycles and parts thereof	"	.....	.....	.....	91,70,733	4,29,01,187	1,85,54,295
Cycles (other than motor cycles) and Parts thereof and Accessories	"	.....	.....	.....	5,04,362	18,64,462	5,21,723
Oil Cloth and Floor Cloth	square yards.	171,635	688,832	131,471	3,33,042	12,98,681	4,85,281
Oil Mineral—Kerosine	gallon	23,485,864	16,175,008	13,092,609	1,82,05,209	1,25,81,798	94,77,704
" " Fuel	"	21,569,471	19,479,406	24,982,471	38,07,465	29,29,142	44,75,266
" " Lubricating	"	4,213,127	3,846,884	3,547,922	58,48,525	72,54,281	74,53,006
" " Other sorts	"	767,939	201,343	363,067	5,31,798	4,02,025	838,615
" All Sorts except Mineral	"	.....	227,630	182,854	8,07,159	16,93,529	11,18,912
Paraffin Wax	tons	.....	20	34	115	2,950	32,562
Packing, Engine and Boiler, of all kinds ...	value	.....	.....	.....	1,47,027	1,22,632	84,814
Psints and Colours (excluding Painters' Materials)	cwts.	109,892	136,37	84,664	41,98,055	51,78,978	39,98,318

Painters' Materials ... ... value.	.....	.....	.....	14,40,862	14,68,728	11,20,567
Pitch, Tar and Damar... ... ...cwts.	41,241	74,661	55,970	2,59,001	4,93,081	5,33,511
Paper and Pasteboard... ... ...value.	.....	.....	.....	1,05,74,144	2,54,86,615	1,19,13,213
Perfumery ... ... „	.....	.....	.....	1,79,094	1,76,627	1,16,280
Polishes ... ... „	.....	.....	.....	6,13,990	13,36,246	5,68,054
Provisions and Oilmanstores... ... ... „	.....	.....	.....	70,84,191	1,08,90,010	82,40,708
Dry Fish (excluding Canned Fish) ... ...cwts.	44,854	44,741	54,555	3,77,958	4,99,452	4,98,795
Fodder, Bran, Cattle Food (excluding Oil Cakes) ... ... „	23,601	13,373	7,752	65,893	44,663	25,842
Fruits and Vegetables (Dry)—						
Dlmonds ... ... „	108,317	76,724	86,700	64,53,209	37,99,832	40,24,447
Aates... ... ... „	638,619	672,264	6,06,200	55,42,308	79,89,575	66,25,416
Other Sorts ... ... „	35,929	58,052	35,880	9,27,444	10,04,306	5,59,424
Fruits and Vegetables (Fresh) ... ...value	.....	.....	.....	1,86,819	2,93,537	2,04,168
Wheat ... ...cwts.	*2,811,140	.....	‡1,036,480	2,61,84,930	.....	1,19,64,462
Rice not in the husk ... ... „	1,461	923	1040	21,511	16,380	25,638
Pulse ... ... „	205,375	44,018	35,930	32,02,995	6,29,538	4,67,126
Rubber, Raw ... ... lbs.	435	1,440	5,638	700	1,089	2,238
„ Tyres and Tubes... ... ... No.	86,622	229,217	111,605	43,81,720	63,36,565	42,95,297
„ Other Manufactures ... ...value	.....	.....	.....	23,09,379	52,45,202	16,64,139
Railway Plant and Rolling Stock ... ... „	.....	.....	.....	1,16,05,327	3,31,56,196	5,88,19,563
Seeds—Copra ... ...cwts	136,556	97,486	56,740	26,99,661	20,32,705	12,64,358
Silk, Raw... ... ... lbs	1,880,848	1,555,116	1,283,964	1,37,54,414	1,19,06,670	1,02,26,677
„ Waste ... ... „	50,720	112,098	149,715	1,34,354	3,05,813	2,86,061
„ Yarn, Noils and Warps... ... ... „	548,018	655,153	578,945	36,98,857	68,96,180	49,59,240
„ Piece goods (including Silk mixed with other Materials) ... ...yards	19,861,149	20,013,467	14,384,241	3,65,19,895	4,15,21,609	2,57,38,015
„ Manufactures, Other Sorts ... ...value.	.....	.....	.....	10,85,934	5,25,068	3,31,253

* Australian Wheat. ‡Of which 109,960 cwts. were imported from United States of America, the remainder being imported from Australia.

FOREIGN TRADE OF THE BOMBAY PRESIDENCY—IMPORTS—(*concluded.*)

Articles.		Quantities.			Value.		
		1919.	1920.	1921.	1919.	1920.	1921.
					Rs.	Rs.	Rs.
Artificial Silk—							
Artificial silk yarn	lbs.	1,38,515	96,099	57,798	12,74,101	8,14,387	3,79,106
Piece-goods of cotton and artificial silk ...	yards	26,74,654	49,09,086	5,48,639	25,94,438	64,79,949	11,08,649
Soap	cwts.	1,36,660	1,47,525	112,205	49,86,150	55,39,627	38,99,978
Spices—							
Betelnuts	"	1,19,791	68,294	65,490	17,23,586	9,18,898	7,68,457
Cloves	"	1,13,160	38,261	72,487	70,15,622	25,31,180	46,16,800
Nutmegs	"	7,142	5,194	6,137	2,83,988	1,84,718	1,81,270
Pepper	"	3,293	2,149	1,690	2,04,444	1,30,377	94,927
Cardamoms	"	68	635	1,459	7,857	62,378	1,20,319
Ginger	"	1,652	946	452	52,442	22,874	13,834
Chillies	"	1,481	46	70	67,407	1,200	1 529
Other Sorts	"	2,719	1,921	2,053	2,12,625	1,11,903	1,03,215
Smokers' requisites	value	.....	.....	.....	2,86,402	2,77,588	1,29,553
Stone and marble	cwts.	42,208	114,988	54,220	1,80,777	5,76,630	3,53,680
Starch and Farina	"	138,737	117,354	94,870	23,26,501	20,64,585	14,63,449
Sugar 16 Dutch Standard and above ...	"	2,514,136	2,567,149	26,06,140	6,08,18,069	9,59,52,825	5,94,24,957
Sugar 15 Dutch Standard and below ...	"	.....	114	981	.....	1,100	15,836
Molasses	"	89,033	66,280	8	3,55,900	3,70,873	43

Confectionery .. .. cwts.	5,711	10,110	2,420	4,45,301	11,98,025	4,73,750
Stationery ... ... value	.....	.....	.....	40,92,253	81,11,654	57,66,019
Tallow and Stearine ... ... cwts.	11,346	69,417	47,598	5,47,431	37,23,953	21,41,256
Toys and Requisites for games ... ... value	.....	.....	.....	28,94,125	28,93,637	16,74,903
Toilet Requisites ... ... „	.....	.....	.....	15,50,063	19,05,190	8,28,580
Tea, Black and Green ... ... lbs.	7,631,520	4,002,544	3,801,488	60,37,232	29,61,964	31,09,735
Tobacco—Manufactured... ... ... „	1,422,119	1,626,669	683,602	61,01,148	70,68,715	34,97,080
„ Unmanufactured... ... ... „	663,352	575,696	516,260	7,84,853	7,97,688	4,83,612
Umbrellas ... ... No.	57,448	130,063	151,231	2,29,160	5,10,173	7,90,319
Umbrella Fittings ... . value	.....	.....	.....	2,09,528	5,41,937	4,65,687
Wax, all sorts other than Paraffin Wax ... cwts.	295	1,543	1,602	20,154	92,037	93,129
Wool, Raw ... ... lbs.	982,126	684,820	467,469	6,46,204	4,67,758	2,32,179
„ Piece-Goods ... ...yards	2,385,865	6,448,985	1,761,990	85,70,499	2,70,41,128	74,25,756
„ Yarn and Knitting ... ... lbs	40,005	57,821	107,927	2,96,082	5,25,132	7,30,667
„ Carpets and Rugs ... ... „	163,483	344,026	204,816	5,97,062	13,69,315	9,41,271
„ Manufactures, Other Sorts ... ...value	.....	.....	.....	8,12,111	11,70,159	6,93,169
Wood—Deal and Pine... ... ... cubic tons.	4,487	7,442	4,787	11,43,717	14,27,990	7,86,137
„ Teak ... ... „	30,371	27,738	28,094	64,20,783	53,81,648	48,61,554
„ Other Timber „„ ... „	7,734	11,095	5,361	10,59,313	16,66,266	6,18,364
„ Other sorts and Manufactures of wood .. .. value	.....	.....	.....	5,75,651	6,77,060	6,48,896
All other Articles .. .. „	.....	.....	.....	46,57,775	88,81,184	89,13,675
Total Value Rs. ...	.....	.....	.....	71,69,70,733	1,25,74,36,079	99,07,94,800

FOREIGN TRADE OF THE BOMBAY PRESIDENCY.—EXPORTS.

Quantities and Value of the principal Articles exported in the years ending 31st December 1919, 1920 and 1921.

Articles.		Quantities.			Value.		
		1919.	1920.	1921.	1919.	1920.	1921.
Indian Produce and Manufactures.					Rs.	Rs.	Rs
Apparel	value.	.....	.....	.....	4,07,562	3,21,405	10,14,509
Animals, living	No.	1,681	913	314	3,44,263	1,72,650	47,300
Articles of Food and Drink other than Grain, Pulse and Flour—							
Coffee	cwts.	49,728	12,126	20,205	30,96,739	7,95,477	11,23,408
Fish (excluding Canned Fish)... ...	"	6,491	9,695	9,452	4,03,004	8,68,908	5,16,278
Fruits and Vegetables (Dry)	"	71,871	26,041	44,035	13,36,324	6,84,665	5,95,301
" (Fresh)... ...	value.	.....	.....	.....	5,53,430	2,35,090	3,94,818
Provisions and Oilmanstores—							
Butter	cwts.	6,118	2,229	4,745	7,81,956	3,43,089	6,57,290
Ghi	"	5,813	15,087	17,041	6,67,737	13,05,033	15,10,796
Condiments and Chutney	"	15,437	14,146	9,993	3,84,461	3,89,155	3,96,843
Other Sorts	"	9,792	4,456	3,150	4,00,555	1,63,486	1,50,980
Spices:—							
Betelnuts	"	2,119	2,608	2,829	84,433	1,02,193	1,26,750
Cardamoms	"	13,320	3,560	4,439	19,19,955	5,05,531	6,29,542
Chillies	"	5,348	11,377	7,794	1,89,729	3,69,871	2,68,582
Ginger	"	57,488	33,709	45,419	17,89,937	10,06,668	12,09,566
Pepper	"	58.358	31,697	14,343	32,74,750	16,68,297	6,50,357

Other Sorts ... ... cwts.	426	183	143	17,849	12,441	4,289
Sugar, 16 Dutch standard and above ... tons.	1,393	1,135	670	7,77,188	9,59,035	5,16,717
Suger 15 „ and below. „	138	193	455	51,159	1,09,133	2,21,006
Confectionery ... ... „	53	35	36	57,609	36,559	77,399
Tea (Black and Green) ... ... lbs.	9,554,723	4,699,462	2,476,162	86,39,111	38,11,762	17,28,062
Liquors ... ... gallons.	62	.....	413	1,510	.....	2,059
Hardware ... ... value.	.....	.....	.....	3,28,012	4,39,512	4,02,635
Articles exported by Post ... ... „	.....	.....	.....	79,91,749	93,46,515	94,40,811
Bristles ... ... cwts.	500	1,045	382	3,11,232	5,42,986	1,61,366
Coir, manufactured and unmanufactured (excluding Ropes) ... ... tons.	2,097	708	355	6,15,492	2,62,787	1,07 764
Candles ... ... lbs.	1,403,966	553,222	241,071	6,83,859	2,96,446	1,26,962
Cotton—Raw ... ... cwts.	5,356,256	‡6,830,807	†7,855,100	37,59,49,766	43,92,58,057	38,68,00,337
„ Waste ... ... „	199,627	266,329	207,719	60,20,096	70,32,346	43,91,087
„ Kapok ... ... „	3,786	4,182	3,154	1,61,198	2,40,741	1,15,365
„ Twist and Yarn ... ... lbs.	132,874,789	91,694,615	77,800,966	15,32,15,808	11,55,08,802	7,53,23,623
„ Hosiery ... ... value.	.....	.....	.....	1,87,589	97,972	1,50,989
„ Thread ... ... lbs.	217,447	186,885	178,308	3,46,080	3,08,995	2,94,348
„ Handkerchiefs and Shawls ... No.	759,139	290,983	316,019	5,16,540	2,97,993	2,79,398
„ Grey Piece-Goods ... ... yards	68,725,919	57,945,896	26,603,990	2,61,84,057	2,57,61,113	1,07,24,832
„ White „ ... ... „	1,734,239	1,552,756	586,036	7,13,434	9,18,017	3,19,204
„ Coloured „ ... ... „	94,941,487	68,462,880	99,978,716	3,92,85,799	3,23,64,586	4,16,21,599
„ Manufactures, Other Sorts ... value.	.....	.....	.....	11,59,098	18,76,842	30,10,149
Chemicals—Saltpetre ... ... cwts	1,155	22,634	854	28,223	3,93,731	25,330
„ Other Sorts ... ... value.	.....	.....	.....	1,54,635	56,645	39,664
Drugs and Medicines ... ... „	.....	.....	.....	8,66,654	5,99,332	3,41,972
Dyeing and Tanning Substances—						
Myrabollams ... ... cwts.	558,072	522,731	526,647	33,36,131	29,02,078	24,14,834
Indigo ... ... „	4,479	1,827	956	19,21,062	9,35,379	3,78,280
Turmeric ... ... „	39,373	25,232	16,542	8,80,682	6,13,072	4,66,898
Other Sorts ... ... „	1,768	4,247	894	40,964	67,887	36,800

‡ Or 1,912,010 Bales of 400 lbs.

† Or 2,199,348 Bales of 400 lbs.

FOREIGN TRADE OF THE BOMBAY PRESIDENCY—EXPORTS—(*continued*)

Articles.		Quantities.			Value		
		1919	1920	1921	1919	1920	1921
					Rs.	Rs.	Rs.
Grain, Pulse and Flour—							
Barley ...	tons.	749	3,186	6,198	1,62,318	8,13,369	16,93,800
Gram ...	"	1,648	932	691	3,72,959	2,39,449	1,94,869
Joowar ...	"	4,909	5,717	1,623	10,86,505	14,07,629	3,25,848
Lentils ...	"	11,647	1,284	1,038	24,26,286	3,85,563	3,09,549
Maize ...	"	633	110	6	6,100	19,459	1,130
Pulse, other sorts ...	"	1,347	339	366	2,34,930	95,935	111,963
Rice, not in the husk ...	"	49,117	38,273	3,315	1,15,85,396	1,01,86,469	848,581
" Ground and Rice Flour ...	"	3,448	5,398	.....	7,82,097	13,85,757	.....
Wheat ...	"	2,456	1,770	1,679	7,28,089	5,74,351	5,43,713
Wheat Flour ...	"	30,707	35,642	32,678	1,02,84,080	1,14,94,918	1,03,12,274
Beans ...	"	71	57	22	18,613	9,653	3,733
Oats ...	"	.....	100	12	.....	23,573	1,652
Other Sorts ...	"	445	4,781	524	1,06,901	9.68,108	1,27,588
Fodder, Bran and Pollards ...	"	3,171	4,543	2,130	3,32,928	4,60,534	3,27,348
Gums and Resins ...	cwts.	37,746	27,590	7,647	16,80,018	10,12,005	2 72,010
Hemp (Raw) ...	"	257,331	133,107	44,982	99,47,737	39,45,058	10,38,083
Hides and Skins—							
Hides ...	No	1,113,439	385,506	206,268	1,88,82,886	54,85,240	29,47,370
Do ...	tons	4,297	1,509	791			
Skins. ...	No.	12,079,422	4,247,294	3,067,601	4,09,72,952	1,61,83,255	62,78,571
Do ...	tons	10,052	5,519	4,014			

Horn Tips and pieces of Horn and Hornmeal	cwts.	1,635	11,215	6.413	10,99,015	3,31,888	1,14,854
Mica	"	1,616	1,926	550	2,70,380	2,27,467	79,250
Manures (Bones and other kinds)	tons.	5,544	12,061	7464	6,08,211	13,24,435	7,73,931
Metals and Ores—							
Manganese ore	"	239,175	377,148	271,826	43,14,541	76,38,269	66,89,781
Ores, Other Sorts	"	180	836	5,179	74,933	26,449	1,07,904
Metals	"	469	731	850	5,99,986	12,82,646	10,99,539
Oils :—							
Teelseed	gallons	Figures not available.	91,977	94,477	1,98,628	3,01,093	2,37,813
Cocoanut	"		74,732	16,005	25,81,986	2,42,177	54,555
Castor	"		37,355	2,184	5,68,764	1,22,927	8,434
Ground nut	"		30,199	20,065	27,340	1,14,401	73,303
Linseed	"		225,747	4,624	4,85,595	10,63,126	17,727
Sandalwood	lbs.		174,449	36,045	32,10,448	43,54,665	7,94,805
Other Sorts	gallon.		109,042	27,630	11,48,516	7,97,265	5,92,903
Oil Cakes	tons.	12,753	12,378	11,239	15,63,336	19,83,264	16,99,448
Paraffin Wax	"	.....	1	16	.....	1,000	1,250
Tobacco unmanufactured	lbs.	2,953 757	5,803,784	5,451,640	8,37,243	22,26,735	23,93,217
Do manufactured	"	253,473	172,249	108,872	5,26,136	2,60,989	1,45,626
Seeds—							
Linseed	tons.	144,274	77,430	23,006	5,29,80,675	2,55,78,090	63,46,451
Cotton	"	108.010	122,671	49,823	1,59,54,070	1,29,86,695	59,54,007
Rape	"	19,549	36,968	8,255	68,48,875	1,04,66,848	21,59,610
Gingelly	"	16,218	38,571	9,073	58,90,333	1,87,51,669	29,90,334
Poppy	"	4,163	3,299	4,445	19,55,159	12,94,644	14,23,313
Groundnut	"	26,585	21,509	12,326	1,24,29,048	85,60,666	38,85,983
Castor	"	6,813	12,251	24,230	18,07,676	28,64,918	50,48,430
Mowra	"	1,754	3,549	2,446	3,56,645	6,09,637	4,10,528
Mustard	"	2,844	1,140	462	16,19,249	4,66,916	1,59,608
Niger	"	426	35	179	1,66,728	10,395	50,315

FOREIGN TRADE OF THE BOMBAY PRESIDENCY—EXPORTS—(*continued.*)

Articles	Quantities			Value		
	1919	1920	1921	1919	1920	1921
				Rs.	Rs.	Rs.
Essential ... ... Tons.	2,066	2,064	3109	11,09 539	10,74,383	13,13,283
Other Sorts ... ... "	439	254	263	1,44,937	70,880	74,292
Copra or Cocoanut Kernel... ... ... "	7,723	188	165	18,59,041	1,25,826	1,17,226
Silk, Raw .. .. lbs.	500,771	172,471	150,168	15,74,652	3,32,171	393,542
" Piece-Goods ... ... yds.	544,315	77,601	64,033	8,46,603	1,50,505	1 21,580
Tallow .. .. cwts.	3,825	7,838	5,217	1,54,400	3,76,490	213,658
Wool, Raw ... ... lbs	24,126,958	14,330,625	13,632,689	2,61,69,160	1,76,05,853	1,05,95,049
" Shawls ... ... No.	1,281	141	822	25,822	1,372	9,280
" Carpets and Rugs ... ... lbs.	698,225	744,918	604,748	18,84,090	27,38,114	24,12,159
" Manufactures, Other Sorts ... ... value	.....	.....	.....	2,10,363	3,40,061	1,96,231
All other articles ... ... "	.....	.....	.....	76,76,757	81,91,823	70,24,401
Total Value Rs. ...	.....	.....	.....	90,64,67,096	84,35,69,359	63,99,37,801
FOREIGN MERCHANDISE.						
Animals ... ... No	.....	75	109	.....	2,01,940	1,19,345
Apparel ... ... value.	.....	.....	.....	31,66,751	27,68,008	35,68,186
Cotton—Raw ... ... Tons.	2	828	*1,334	1,050	25,86,968	24,32,008
" Twist and Yarn ... ... lbs	3,000,299	342,126	3,30,475	39,00,390	8,82,275	6,64,145
" Grey Piece Goods ... ... yards	46,166,374	31,602,788	43,915,164	2,23,23,758	1,81,30,919	2,01,38,645
" White ... ... "	23,327,393	7,274,465	6,505,408	1,23,73,385	41,47,412	32,31,640
" Coloured " ... ... "	37,025,805	13,827,942	11,786,934	2,07,25,118	91,80,525	77,71,645
" Fents ... ... "	47,806	24,765	29,981	37,786	11,248	11,650

Cotton—Shawls and Handkerchiefs ...	No.	1,183,690	566,464	2,72,840	9,47,794	7,69,965	4,59,924
„ Hosiery	value	.....	.....	.....	17,58,803	10,48,310	1,217,357
„ Thread	lbs.	276,305	97,651	93,912	6,29,639	2,14,901	1,93,485
„ Manufactures, Other Sorts ..	value	.....	.....	.....	4,01,284	6,01,845	3,54,105
Articles of Food and Drink other than Grain, Pulse and Flour—							
Fish (excluding Canned fish) ...	cwts.	5,791	5,881	6,453	9,46,452	12,79,138	13,34,452
Fruits and Vegetables, Dry—							
Dates	Tons.	1,675	2,099	2,866	4,47,040	6,18,105	7,96,478
Other Sorts	„	2,794	5,248	2,611	28,91,055	46,16,491	28,93,696
Fruits and Vegetables, Fresh	value.	.....	.....	.....	792	1,866	180
Provisions and Oilmanstores	cwts.	18,354	19,959	20,778	11,32,917	10,79,389	14,11,774
Sugar 16 Dutch Standard and above...	tons.	29,117	41,255	18,277	1,55,56,836	3,38,03,955	1,11,54,050
Sugar 15 „ „ „ below. ...	„	.....	.....	21	.....	.....	7,444
Confectionery	„	27	44	23	41,315	66,099	41,069
Spices :—							
Cloves...	cwts.	34,894	10,637	17,424	26,70,057	7,24,313	11,93,660
Betelnuts	„	159	48	17	4,601	1,640	302
Cardamoms	„	172	77	176	24,937	1,556	17,776
Pepper	„	1,389	.....	28	79,997	25	1,571
Ginger...	„	42	13	3	2,500	555	61
Nutmegs	„	1,346	474	495	1,10,961	29,298	22,460
Other Sorts	„	571	144	97	55,135	15,021	4,077
Tea, Black and Green	lbs.	1,188,338	424,186	1,14,850	10,45,271	2,59,892	84,541
Liquors :—Ale, Beer and Porter ...	Gallons.	44,177	37,285	25,134	1,70,749	1,28,959	95,470
Do. Spirits	„	32,332	8,045	15,102	4,29,362	2,46,440	4,19,427
Do. Wines	„	4,139	3,536	4,064	78,116	64,795	95,704
Do. Cider and other Liquors ...	„	44	90	56	278	492	358
Chemicals	value.	.....	.....	.....	6,57,873	5,18,672	4,94,729
Drugs and Medicines	„	.....	.....	.....	23,17,399	23,94,017	9,10,305
Glass and Glassware	„	.....	.....	.....	13,18,187	18,14,456	15,03,188
Gums and Resins	cwts.	43,948	48,501	44,391	29,58,019	27,72,587	19,61,554
Hardware	value	.....	.....	.....	22,00,692	25,79,246	20,32,117
Haberdashery and Millinery	„	.....	.....	.....	6,97,774	5,39,667	8,45,668

* or 7,536 Bales.

FOREIGN TRADE OF THE BOMBAY PRESIDENCY—EXPORTS—(*concluded*).

Articles.	Quantities			Value.		
	1919.	1920.	1921.	1919.	1920.	1921.
				Rs	Rs.	Rs.
Ivory, unmanufactured ... ... lbs..	151,795	164,742	153,610	9,48,550	9,84,394	10,06,575
Oils ... ... gallon	Figures not available	919,243	759,988	3,95,920	4,31,216	524,768
Machinery and Millwork... ... ... value.	.....	.....	.....	7,64,129	11,98,416	10,22,006
Matches ... ... gross of boxes.	438,579	319,325	166,225	7,75,029	5,44,748	3,30,570
Papers and Pasteboards ... ... value.	.....	.....	.....	5,12,429	6,20,096	8,19,920
Metals and Ores ... ... tons.	2,021	4,091	7,518	31,47,057	40,32,726	16,26,985
Stationery ... ... value.	.....	.....	.....	4,78,497	4,97,426	5,36,442
Silk Raw ... ... lbs.	138,334	118,496	39,189	9,95,554	6,49,791	3,15,837
" Yarn, Noils and Warps ... ... "	19,372	15,855	34,239	45,440	26,050	3,41,089
" Piece-Goods (including Silk mixed with other materials) ... yards.	2,957,862	806,012	8,69,555	51,12,394	20,93,027	15,53,834
Tobacco Unmanufactured ... ... lbs.	427,587	617,523	6,11,530	4,22,611	5,80,447	5,63,173
" Manufactured ... ... "	185,667	202,402	66,388	7,60,591	7,42,472	317,981
Umbrellas ... ... No.	43,204	19,641	20,850	1,20,640	72,035	73,065
Wool, Raw ... ... lbs	129,024	31,696	16,520	1,10,894	26,630	11,175
" Piece-goods ... ... yds	505,012	242,450	180,929	23,35,019	11,61,762	9,48,832
" Shawls... ... ... No.	2,449	1,534	6229	25,131	22,213	32,978
Articles re-exported by Post ... ... value	.....	.....	.....	20,26,814	25,78,504	26,68,939
All other articles ... ... "	.....	.....	.....	1,20,75,183	1,63,99,459	1,43,13,561
Total Value Rs. ...	.....	.....	.....	13,31,55,955	12,67,62,402	9,44,91,976
Grant Total Rs. ...	.....	.....	.....	1,03,96,23,051	97,03,31,761	73,44,29,777

Exports of Indian Manufactured Yarns by Sea & Rail from Bombay (Converted into Bales of 400 lbs. each) since 1894

1st January to 31st December	To China.	To Japan.	Total to China and Japan.	Total to other Ports.	Total Exports by Sea.	Total Exports by Rail.*	Total Exports by Sea and Rail.
1894	338,703	10,743	349,446	105,863	455,309	10,388	465,697
1895	374,119	2,515	376,634	104,871	481,505	7,443	488,948
1896	471,023	2,467	473,490	99,877	573,367	6,274	579,641
1897	361,221	645	361,866	91,095	452,961	5,822	458,783
1898	437,645	475	438 120	108,691	546,811	7,100	553,911
1899	579,619	250	579,869	94,029	673,898	4,408	678,306
1900	253,331	100	253,431	87,998	341,429	5,480	346,909
1901	536,195	.....	536,195	99,599	635,794	6,670	642,464
1902	555,487	.....	555,487	111,259	666,746	7,427	674,173
1903	604,044	.....	604,044	113,256	717,300	8,348	725,648
1904	460,316	3	460,319	113,381	573 700	9,789	583,489
1905	651,870	.....	651,870	91,603	743 473	8,099	751,572
1906	596,926	500	597,426	99,628	697,054	15,417	712,471
1907	412,127	200	412,327	190,387	602,714	19,218	621,932
1908	441,899	.....	441,899	144,312	586,211	18,334	604 545
1909	510,746	.....	510,746	120,406	631,152	19,302	650,454
1910	424,893	.....	424,893	130,506	555,399	19,103	574,502
1911	275,087	.....	275,087	121,369	396,456	18,927	415,383
1912	433,989	.....	433,989	137,910	571,899	13,400	585,299
1913	405,359	.....	405,359	107,661	513,020	15,011	528,031
1914	324,586	.....	324,586	108,346	432,932	30,957	463,889
1915	358,777	.....	358,777	107,687	466,464	44,192	510,656
1916	303,692	.....	303,692	102,876	406,568	37,846	444,414
1917	286,365	107	286,472	81,446	367,918	48,203	416,121
1918	108,568	.....	108,568	80,429	188,997	87,115	276,112
1919	270,058	389	270,447	96,633	367,080	47,980	415,060
1920	175,688	.....	175,688	107,692	283,380	119,436	420,816
1921	152,911	10	152,921	157,854	310,775	153,575	464,350

Compiled from Return received from the Railway Companies.

FOREIGN TRADE OF THE PORT OF BOMBAY—IMPORTS.

Quantities and Value of the Principal Articles imported in the Official Years 1918-1919 *to* 1920-21.

ARTICLES.	Quantities.			Value.		
	1918-1919.	1919-1920.	1920-1921.	1918-1919.	1919-1920.	1920-1921.
				Rs.	Rs.	Rs.
Animals—Living ... ... No.	5,083	1,890	2,531	23,24,992	9,36,397	24,26,634
Apparel—(excluding Hosiery, Boots and Shoes)—						
Apparel including Drapery Uniforms and accoutrements ... .value.	.....	.....	.....	90,75,465	86,42,940	1,03,16,520
Gold and Silver Thread ... ... "	.....	.....	.....	22,73,027	12,63,780	29,45,597
Hats, Caps Bonnetts-Hatter's ware ... "	.....	.....	.....	4,87,686	5,36,288	22,98,113
Lamettas ... ... lbs.	186,625	61,300	113,932	9,23,210	2,06,367	4,77,618
Second Hand Clothing ... ...value.	.....	.....	.....	47,122	52,052	1,05,896
Water-proofed do. ... ... "	.....	.....	.....	38,534	51,748	70,151
Arms, Ammunition and Military Stores—						
Dynamite and other Explosives ... "	.....	.....	.....	3,32,134	2,11,644	2,93,524
Arms, Amunition and Military Stores other than Dynamite and other Explosives "	.....	.....	.....	3,49,147	4,75,235	13,66,031
Asbestos—						
Raw ... ... cwts.	.....	19	4	.....	845	613
Manufactured except Packing... ...value.	.....	.....	.....	.....	1,44,464	.....
Asbestos Packing ... ... "	.....	.....	.....	.....	.....	2,29,129
Other Sorts ... ... "	.....	.....	.....	.....	.....	6,19,883
Belting for Machinery—						
of Cotton ... ... "	.....	.....	.....	.....	15,30,918	4,52,725
of Leather ... ... "	.....	.....	.....	22,31,957	1,59,976	41,68,471
of Other Materials ... ... "	.....	.....	.....	13,22,807	3,70,697	10,46,922

Bobbins ... ... value.	.....	.....	.....	28,68,932	33,78,110	50,57,643
Books printed and printed matter (including Maps and Charts) ... ... cwts.	15,060	8,659	9,232	24,60,885	17,89,322	24,39,912
Boots and Shoes ... ... pairs.	299,974	196,517	347,058	17,15,069	14,23,473	45 47,726
Brushes and Brooms ... ... dozs.	78,062	187,072	103,416	3,13,729	4,85,067	7,84,907
Building and Engineering Materials—						
Asphalt ... ... tons.	.....	50	1,338	.....	6,273	1,58,719
Bricks other than Fire Bricks ... ... No.	33	15,400	390,886	35	3,330	1,01,247
Fire Bricks ... ... „	529,740	329,380	1,082,775	1,58,497	63,833	2,45,312
Cement ... ... tons.	2,508	21,167	26,692	3,82,271	20,41,172	27,96,066
Tiles ... ... No.	6,242,150	7,816,487	23,716,071	8,88,248	12,80,585	38,53,231
Clay ... ... cwts.	14,897	26,056	22,991	70,818	68,507	80,729
Other Sorts ... ... value.	.....	.....	.....	1,34,066	85,622	1,94,864
Buttons of all Sorts ... ... „	.....	.....	.....	7,55,064	9,47,565	16,18,121
Candles of all kinds ... ... lbs.	12,506	147,795	209,326	10,303	97,750	1,16,755
Canes and Rattans ... ... cwts.	12,385	21,946	29,573	1,73,763	2,73,846	3,71,179
Carriages and Carts and Parts thereof ... value.	.....	.....	.....	3,13,828	9,48,617	21,05,279
Chemicals and Chemical preparations :—						
Acids ... ... cwts.	4,661	4,620	11,938	9,82,541	3,68,094	7,98,721
Alum ... ... „	7,304	29,813	32,985	2,23,723	2,58,500	4,42,564
Aluminous Sulphates ... ... „	556	2,292	6,078	12,481	32,486	79,850
Ammonia and Salts thereof Anhydrous „	2,687	738	263	2,79,954	95,209	41,669
Do. do. Other Sorts „		8,073	7,744		4,14,818	3,61,119
Bleaching Materials Bleaching Powder „	14,874	15,260	25,412	4,36,061	1,96,498	5,49,215
Do. do. Other Sorts... „		1,070	1,563		25,493	35,536
Disinfectants ... ... „	6,146	8,024	8,144	2,65,798	2,49,650	3,02,655
Magnesium Compounds—Chloride ... „	.....	17,362	54,279	.....	2,30,442	7,48,150
Do. do. Other Sorts ... „	.....	4,499	5,978	.....	40,849	61,401
Soda Compounds—Bicarbonate ... „	54,757	22,594	23,641	5,21,179	1,43,504	1,92,681
Do. Caustic ... ... „	21,772	27,174	15,754	6,14,392	4,60 739	3,58,777
Do. Sodium Carbonate ... „	121,727	90,938	140,708	7,37,611	3,36,071	7,26,625
Do. Borax ... ... „	3,418	1,566	5,932	1,14,710	33,280	1,69,791
Do. Other Sorts ... „	19,663	15,124	37,080	8,70,899	2,33,000	15,23,709

FOREIGN TRADE OF THE PORT OF BOMBAY—IMPORTS—(*continued.*)

ARTICLES.	Quantities.			Value.		
	1918-1919.	1919-1920.	1920-21.	1918-1919.	1919-1920.	1920-1921.
				Rs.	Rs.	Rs.
Sulphur—(Brimstone) ... ... cwts.	10,628	36,664	30,186	1,05,418	3,67,775	3,26,887
Zinc Compounds—Chloride ... „	.....	5,895	14,664	.....	1,19,716	5,00,762
Do. Other Sorts ... „	.....	134	411	.....	5,389	31,452
Other Sorts of Chemicals ... ... „	.....	.....	.....	38,24,255	13,76,928	22,26,323
China Clay ... ... cwts.	412,864	121,840	372,675	29,43,744	6,17,223	23,33,188
Clocks and Watches ... ... No.	236,216	137,231	299,575	15,07,514	7,50,615	24,54,292
Clocks and Watches, parts of ... ... value.	.....	.....	.....	71,408	97,842	93,677
Coal ... ... tons.	53,140	24,252	43,095	14,44,564	8,03,269	14,09,670
Coke ... ... „	.....	.....	188	.....	.....	19,400
Coffee ... ... cwts.	747	33,053	28,395	40,902	16,62,964	12,27,008
Coir Manufactured and unmanufactured ... tons.	66	151	93	52,345	22,201	13,258
Cordage and Rope of Vegetable Fibre (excluding Jute and Cotton)... ... ... cwts.	10,670	8,246	6,729	9,99,042	7,63,669	7,59,896
Cork Manufactures .. .. „	1,773	1,611	1,833	1,83,484	1,80,988	2,34,110
Cutlery ... ... value	.....	.....	.....	8,99,455	13,25,721	18,50,593
Cycles (other than motor cycles) and parts thereof and accessories ... ... „	.....	.....	.....	4,35,409	7,07,777	17,45,879
Drugs, and Medicines (excluding Chemicals and Narcotics) :—						
Aloes ... ... cwts.	27	753	2,329	1,138	33,213	77,090
Assafoetida ... ... „	2,013	3,348	5,580	1,43,894	3,07,420	3,79,009
Camphor ... ... lbs.	315,280	273,203	252,707	10,29,282	10,29,430	16,10,883
Cassia Lignia ... ... cwts.	26,125	34,372	23,683	9,25,275	11,62,170	7,18,638
Proprietary and Patent Medicines ... value.	.....	.....	.....	17,18,582	19,11,061	17,70,929

Quinine salts—Quinine Sulphate or Bisulphate ... ... lbs,	40,175	15,795	21,285	9,22,518	3,89,866	6,45,600
Quinine salts—Quinine Hydrochloride ... „	1,650	779	1,671	43,383	24,251	51,031
„ Other Sorts ... ... „	6,129	2,779	5,779	1,27,251	52,010	1,34,389
Other Sorts ... ... valu.	.....	.....	.....	31,79,242	40,72,882	42,28,216
Dyeing and Tanning Substances—						
Aniline ... ... lbs.	2,084,899	3,814,085	6,055,860	90,71,913	1,06,32,125	2,22,95,451
Alizarine... ... ... „	1,198,715	1,260,980	2,946,363	13,32,493	12,97,392	54,81,332
Cutch and Gambier ... ... cwts.	2,000	1,022	748	72,808	34,920	26,708
Cochineal ... ... „	2,256	2,293	3,622	5,02,282	3,28,797	6,39,898
Saffron ... ... lbs.	48,052	97,846	49,755	16,70,540	25,13,700	9,28,607
Indigo, Synthetic ... ... cwts.	61	127	1,313	12,138	23,679	5,61,129
Other Sorts (including Lac Dye) ... „	6,460	20,682	24,417	2,10,552	4,39,945	2,99,012
Earthenware and Porcelain—						
Earthenware ... ... value	.....	.....	.....	26,32,027	25,87,259	23,40,538
Porcelain ... ... „	.....	.....	.....		10,80,332	9,36,531
Electroplatedware ... ... „	.....	.....	.....	1,35,598	3,00,397	5,63,432
Fire works ... ... lbs.	.....	10,89,105	2,432,890	4,30,657	5,26,000	10,05,991
Fish excluding Canned Fish ... ... cwts.	33,446	45,254	50,327	3,48,257	4,01,258	5,18,666
Fodder Bran and Pollards ... ... „	37,545	15,400	15,059	1,03,650	43,699	43,609
Fruits and Vegetables :—						
Fresh fruits and Vegetables of all kinds value.	.....	.....	.....	56,115	2,66,988	2,19,417
Fruits and Vegetables Dried Salted or preserved :—						
Almonds ... ... tons.	1,052	6,568	3,164	15,34,270	73,79,991	30,96,376
Currants Raisins ... ... „	322	992	651	1,88,740	5,52,316	3,59,667
Dates ... ... „	22,937	30,784	30,264	40,04,729	56,14,005	76,19,576
Other Sorts ... ... „	225	2,257	474	2,03,225	5,57,047	2,51,712
Furniture and Cabinetware—						
Bedsteads ... ... value.	.....	.....	.....	1,12,073	43,327	2,89,571
Furniture of wood and other materials (other than Bedsteads) ... ... „	.....	.....	.....	5,02,355	4,58,128	18,58,370
Mouldings ... ... „	.....	.....	.....	1,53,414	1,04,442	5,56,638

FOREIGN TRADE OF THE PORT OF BOMBAY—IMPORTS—(*continued.*)

Articles.		Quantities			Value.		
		1918-1919.	1919-1920.	1920-1921.	1918-1919.	1919-1920.	1920-1921.
					Rs.	Rs.	Rs.
Glass and Glassware—							
Bangles	value	.....	.....	.....	18,42,998	35,39,082	72,13,125
Beads and false Pearls	cwts.	3,946	5,691	11,777	6,30,279	8,76,979	24,23,369
Bottles and Phials	gross	107,167	122,852	147,142	14,32,886	13,03,240	20,35,677
Funnels, Globes and Glass Parts of Lamps	value	.....	.....	.....	5,39,840	8,98,795	7,59,898
Sheet and Plate...	supl. ft.	2,546,188	5,537,956	6,143,582	9,47,815	16,92,277	28,96,319
Tableware including Decanters, Tumblers, etc.	value	.....	.....	.....	5,30,096	9,47,146	7,32,140
Other sorts	,,	.....	.....	.....	6,95,049	17,46,564	19,20,382
Grain, Pulse and Flour—							
Beans, dry	tons	.....	308	197	.....	79,236	37,838
Jawar and Bajree	,,	223	3,917	23	35,308	8,42,960	2,974
Pulse	,,	2,209	9,500	1,151	7,35,414	29,20,220	2,81,220
Rice not in the husk	,,	184	65	45	41,897	20,972	14,607
Wheat	,,	48,310	92 247	5	88,16,631	1,68,68,325	1,167
Wheat Flour	,,	291	131	57	108,887	36,653	18,547
Other sorts	,,	25	285	99	4,484	34,997	13,736
Gums and Resins—							
Arabic	cwts	5,768	30,547	4,193	1,81,436	9,89,813	1,07,860
Benjamin	,,	7,767	8,591	4,736	4,41,564	4,38,390	2,43,428
Olibanum or Frankincense	,,	14,208	22,460	13,861	1,63,855	3,40,622	1,72,700
Rosin	,,	775	6,483	18,567	22,987	1,58,860	4,29,016
Other sorts	,,	15,418	47,637	19,678	8,99,904	17,67,804	8,46,765

Hardware—							
Agricultural Implements	value	.....	.....	.....	31,286	67,279	3,69,163
Galvanised or Tinned Buckets... ...	,,	.....	.....	.....	4,631	15,252	87,955
Builder's Hardware, viz., Locks, Hinges etc.	,,	.....	.....	.....	7,81,068	4,03,775	15,32,872
Domestic Hardware	,,	.....	.....	.....	1,18,760	1,90,356	5,13,181
Enamelled Ironware	,,	.....	.....	.....	4,11,859	14,81,317	18,07,294
Gas Mantles	,,	.....	.....	.....	.....	3,62,285	5,15,066
Implements and Tools other than Agricultural Implements and Machine Tools	,,	.....	.....	.....	22,91,815	16,75,337	31,07,798
Lamps—Metal and Glass	Nos.	303,875	694,393	755,084	7,69,109	14,12,304	23,13,492
Parts of Lamps other than Glass ...	value	.....	.....	.....	2,62,738	3,86,167	10,26,878
Other sorts	,,	.....	.....	.....	85,04,761	97,88,792	2,03,34,189
Hides—raw	tons	13	63	18	20,888	61,902	12,940
Do.	Nos.	4,035	12,606	4,957			
Skins—raw	tons	534	431	215	7,56,219	4,61,024	2,60,137
Do.	Nos.	767,247	626,578	301,356			
Hops	cwts.	980	1,162	239	1,54,817	1,56,806	40,843
Horns, Tips and pieces of Horn and Horn-meal	,,	10	80	151	15,795	104,668	1,16,140
Instruments and Apparatus and Appliances and parts thereof—							
Optical	value.	.....	.....	.....	3,11,176	2,32,699	6,38,527
Electrical	,,	.....	.....	.....	63,55,807	48,39,893	1,80,85,527
Musical	,,	.....	.....	.....	5,14,031	2,91,084	12,83,885
Photographic	,,	.....	.....	.....	19,04,081	7,38,999	21,26,871
Scientific and Philosophical	,,	.....	.....	.....	11,05,710	11,11,104	18,83,714
Surgical	,,	.....	.....	.....	4,17,146	5,24,724	10,13,272
Other Sorts	,,	.....	.....	.....	52,393	1,63,541	6,78,185
Ivory, Unmanufactured	lbs.	291,522	645,647	270,034	22,74,659	50,49,792	20,87,069
,, manufactured	value.	.....	.....	.....	1,48,313	2,04,160	1,08,870

FOREIGN TRADE OF THE PORT OF BOMBAY—IMPORTS—(*continued.*)

Articles.		Quantities.			Value.		
		1918-1919.	1919-1920.	1920-1921.	1918-1919.	1919-1920.	1920-1921.
					Rs.	Rs.	Rs.
Jewellery, and Plate of Gold and Silver (excluding Imitation Jewellery, Precious Stones and Pearls unset)	value	.....	.....	.....	2,84,689	5,73,003	12,80,062
Hides (Tanned or Dressed)	Tons.	7	104	338	44,448	4,77,160	9,44,056
	No.	1,637	40,186	77,085			
Skins (Tanned or Dressed)	Tons.	63	14	53	13,03,039	2,15,010	6,01,316
	No.	290,093	50,423	191,905			
Unwrought	Cwts.	355	628	556	1,58,650	1,26,308	1,43,535
Leather Cloth	value.	.....	.....	.....	.....	29,833	2,65,773
Leather Artificial	"	.....	.....	.....	.....	11,817	1,06,810
Leather Manufactures—							
Bags and Trunks	"	.....	.....	.....	81,526	2,15,080	1,39,199
Pickers	"	.....	.....	.....	.....	4,96,282	9,76,556
Picking Brands and Straps	"	.....	.....	.....	.....	3,93,403	13,87,393
Roller Skins	"	.....	.....	.....	.....	4,43,331	12,68,545
Saddlery and Harness	"	.....	.....	.....	1,14,241	1,15,512	3,32,948
Other Sorts	"	.....	.....	.....	5,12,587	4,78,770	12,06,928
Liquors including Methylated and Perfume Spirits.—							
Liquors—Ale, Beer, and Porter	gallons.	849,333	1,027,549	11,88,400	31,92,243	28,42,293	35,46,867
Spirits—							
Brandy	"	98,925	108,376	242,185	19,38,460	19,64,791	40,13,853
Whisky	"	179,141	233,904	251,606	31,28,515	37,74,675	38,41,390
Gin	"	16,305	26,649	38,909	3,04,795	4,03,331	5,04,320

Liquors ... ...gallons.	5,118	6,468	9,834	1,35,374	1,55,839	2,18,680
Rum ... ... "	2,609	11,717	13,657	31,633	67,303	1,12,886
Spirit present in drugs, Medicines or Chemicals ... ... "	29,433	45,078	52,010	8,41,778	11,61,247	11,08,745
Spirit perfumed ... ... "	6,102	8,132	16,877	4,82,498	4,57,371	10,31,047
Spirit Methylated	70,740	64,265	61,195	2,02,634	1,36,404	2,06,994
Spirits Rectified ... ... "	13,825	22,395	261,179	27,130	40,969	3,94,323
Other Sorts ... ... "	6,037	46,548	55,751	2,60,682	4,98,947	5,62,726
Wines—						
Champagne and other sparkling wine ... ... "	7,182	17,772	26,517	2,60,896	6,01,105	8,63,698
Port ... ... "	37,328	41,907	44,699	4,79,802	4,87,734	5,70,999
Still Red Wine other than Port ... "	25,858	15,636	26,761	2,72,251	2,00,569	2,87,802
Sherry Madeira and Marsala ... "	14,997	11,914	17,037	1,88,629	1,65,507	2,50,059
Still White Wine other than Sherry Madeira and Marsala. "	4,449	5,378	7,287	58,869	60,648	1,03,919
Other sorts including Vermouth Ginger wine ... ... "	59,435	26,309	27,573	7,17,695	3,28,520	3,47,691
Cider and other fermented Liquors "	6,142	4,774	6,148	34,087	26,213	36,714
Machinery and Mill Work:—						
Prime Movers (Oil & Steam Engines) ... value.	....	.....	.....	4,69,028	21,16,126	84,08.517
Electrical Machinery of all kinds ... "	.....	.....	.....	14,70,492	30,33,308	50,54,969
Agricultural Machinery ... ... "	.....	.....	.....	16,417	1,64,179	6,42,665
Boilers ... ... "	.....	.....	.....	1,60,521	6,40,059	47,35.324
Metal Working Machinery ... ... "	.....	.....	.....			
Machine Tools ... ... "	.....	.....	.....	1,792	6,65,655	52,00,661
Oil Crushing & Refining Machinery ... "	.....	.....	.....	37,484	19,751	2,23,279
Refrigerating Machinery ... ... "	.....	.....	.....	38,376	27,876	8,40,141
Rice & Flour Mill Machinery ... ... "	.....	.....	.....	4,07,718	6,01,423	12,89,941
Saw Mill & Wood Working Machinery... "	.....	.....	.....	2,00,482	1,41,576	1,13,757
Sewing & Knitting Machines & parts thereof ... ... "	.....	.....	.....	950,248	11,88,358	19,50,730
Shuttles ... ... "	.....	.....	.....	.....	8,65,310	13,40,903

FOREIGN TRADE OF THE PORT OF BOMBAY—IMPORTS.— (*continued.*)

ARTICLES.	Quantities.			Value.		
	1918-1919.	1919-1920.	1920-1921.	1918-1919.	1919-1920.	1920-1921.
				Rs.	Rs.	Rs.
Textile Machinery ... ...value.	.....	.....	.....	1,53,91,864	99,82,945	2,90,05,357
Type writers & parts thereof ... ... "	.....	.....	.....	5,43,942	7,15,246	15,25,282
Other Sorts of Machinery ... ... "	.....	.....	.....	21,64,103	34,40,374	1,35,67,833
Matches—						
Safety ... ...gross of boxes	2,951,603	5,702,857	3,246,699	41,39,415	76,56,436	39,93,783
Other Sorts ... ... "	2,138,485	2,261,126	2,279,177	29,20,895	28,28,562	28,13,490
Mats and mattings (except coir and rubber) ... ... sq. yds.	528,260	595,882	447,810	2,74,990	3,24,721	3,23,490
Metals and Ores :—						
Aluminium (Unwrought) ... ... cwts.	207	2,130	3,770	45,366	1,60,093	3,42,142
" (Wrought) ... ... "	1,812	9,282	26,626	5,57,590	12,31,411	43,57,613
Brass, Bronze & similar Alloys :—						
Unwrought ... ... "	40	100,997	77,272	7,205	32,03,114	25,70,546
Wrought ;—Mixed or Yellow Metal						
Sheathings ... ... "	1,366	98,996	183,387	1,27,727	62,25,412	1,67,06,291
Other Sorts ... ... "	54,147	71,985	73,246	71,04,466	50,70,432	57,05,876
Copper :—						
Old for re-manufacture ... ... "	255	2,337	1,733	16,691	1,38,275	86,906
Unwrought ... ... "	1,635	10,564	54,594	1,43,268	32,29,988	7,00,150
Wrought—Braziers Sheets ... ... "	10,421	99,259	168,117	12,19,739	67,02144	1,49,54,761
" Wire ... ... "	3,512	1,534	3,868	4,25,261	1,50,549	3,89,062
" Other Manufactures ... "	8,512	10,313	7,628	12,40,648	10,01,493	12,67,952
German Silver ... ... "	.....	26	5,033	.....	5,854	7,84,161

Iron :—						
Pig ... ... tons.	.....	1,673	2900	.....	2,06,956	4,66,027
Manufactures Angle Bolt Barseth "	1,483	1,184	2130	7,13,342	3,99,168	9,01,561
Iron or Steel ... ... "	39,863	85,449	132,068	2,86,65,975	3,00,20,222	6,43,85,664
Steel ... ... "	6,288	26,891	54,600	39,61,007	67,98,845	1,81,62,610
Lead—Unwrought ore ... ... "	24	257	466	30,740	2,62,503	3,01,907
" " Pig ... ... cwts	1,294	8,197	4,406	31,566	1,50,399	99,237
" " other sorts ... ... "	3,503	2,637	3,210	45,351	24,788	1,22,077
" Wrought Sheets Pipes & Tubes ... "	8,828	8,514	9,557	4,54,999	2,48,664	3,69,695
" " other Sorts ... ... "	1,724	2,696	4,020	98,592	74,692	1,75,791
Quicksilver ... ... lbs.	44,825	304,763	12,750	2,28,532	9,49,306	38,366
Tin :—Unwrought ... ... cwts.	1,071	13,589	10,004	1,97,269	22,50,502	15,66,328
" Wrought ... ... "	16	219	189	5,512	27,615	47,234
Zinc or Spel'er ... ... "	6,516	54,527	20,560	3,93,229	13,20,782	6,33,771
Metals Other Sorts ... ... "	9,054	6,629	7,438	5,21,008	4,64,147	6,52,798
Motor Cars and Motor Cycles and parts thereof ... ... valne.	.....	.....	.....	20,30,734	1,60,16,632	4,43,77,934
Oil Mineral—Kerosine ... ... gals.	5,477,135	28,814,149	14,199,859	47,77,156	2,24,93,891	1,10,77,923
" " Fuel ... ... "	19,346,383	17,743,062	24,017,703	37,76,308	29,06,432	40,67,418
" " Lubricating ... ... "	2,496,727	3,768,952	4,482,802	29,30,295	58,09,085	89,24,447
" " Other Sorts ... ... "	7,11,061	208,981	197,893	3,96,562	4,39,976	4,08,138
" Animal ... ... "	121	7,489	14,708	1,023	31,938	53,462
" Essential ... ... "	15,740	16,256	15,147	3,05,831	4,09,317	7,81,248
" Cocoanut ... ... "	37,223	10,159	4,273	59,117	24,122	11,089
" Linseed ... ... "	2,403	93,252	167,907	2,879	4,57,519	9,34,473
" Other Sorts ... ... "	1,771	9,945	7,295	10,699	47,504	28,036
Oil Cloth & Floor Cloth ... ...sq. yds	259,278	186,835	676,815	5,54,302	2,63,897	14,57,461
Opium ... ... lbs.	114	.....	1	20,492	.....	84
Paints & Colours ... . cwts.	99,344	115,828	123,231	43,61,953	40,29,753	56,63,008
Painter's Materials ... ... value	.....	.....	.....	6,05,056	14,90,564	15,69,606
Paper & Paste Board ... . "	.....	.....	.....	1,07,27,424	1,05 41,696	2,74,56,683
Perfumery ... ... "	.....	.....	.....	1,32,799	2,15,975	1,27,532
Pitch Tar & Dammar ... ... cwts.	43,617	53,194	67,244	3,72,200	3,15,039	5,19,553

FOREIGN TRADE OF THE PORT OF BOMBAY—IMPORTS—(*continued.*)

Articles.	Quantities.			Value.		
	1918-1919.	1919-1920.	1920-1921	1918-1919.	1919-1920	1920-1921.
				Rs.	Rs.	Rs.
Polishes Composition for application to leather ... ... value.	.....	.....	.....	3,03,980	4,76,013	10,33,241
" " " " to Metals etc. ... "	.....	.....	.....	1,55,189	1,81,901	2,28,771
Polish, Wood ... ... "	.....	.....	.....	.....	.....	59,250
Precious stones ... . "	.....	.....	.....	36,91,696	28,104	45,649
Pearls .. .. "	.....	.....	.....		52,39,726	51,54,550
Printing Lithographing Machinery & Materials ... ... "	.....	.....	.....	2,48,600	3,17,413	16,01,940
Provisions and Oilmanstores:—						
Biscuits and Cakes ... ... cwts.	3,204	14,479	7,979	2,26,482	11,35,954	8,30,779
Cheese ... ... — ... "	2,296	2,056	3,711	3,37,601	2,64,416	6,99,946
Cocoa & Chocolate ... ... "	2,836	3,429	2,494	4,69,555	4,59,729	4,85,167
Milk, condensed or preserved ... ... "	18,341	22,084	15,013	12,49,725	11,68,360	9,49,259
Canned & Bottled Provisions ... ... "	43,139	52,010	47,521	32,16,799	37,44,080	39,80,553
Other Sorts of Provisions ... ... value.	.....	.....	.....	31,52,061	21,86,926	23,50,652
Railway Plant and Rolling stock:—						
Carriages and Wagons and Parts thereof ... ... value.	.....	.....	.....	32,16,255	80,36,391	2,38,19,553
Locomotive Engines and Tenders and parts thereof ... ... "	.....	.....	.....	12,19,555	12,37,654	1,30,56,050
Materials for Construction:—						
Bridgework ... ... Tons.	.....	1,021	473	.....	2,89,749	2,14,902
Rails, Chairs and Fishplates of Steel or Iron "	5	2,411	11,767	4,543	26,42,937	36,23,855
Sleepers and Keys of Steel or Iron ... "	.....	.....	31,973	.....	95	77,25,670

Sleepers of wood	tons.	.....	771	6,164	.....	1,09,169	6,63,781
Other kinds of materials	"	79	1796	8,125	65,787	5,60,010	27,81,805
Rubber :—							
Raw	lbs.	4,887	.....	1,552	3,394	.....	1,194
Manufactures :—Tyres for Motor Cars and Motor Cycles	No.	32,461	41,148	82,160	25,35,638	31,36,132	53,32,722
" Tubes for Motor Tyres	"	33,658	54,231	149,193	5,48,631	9,02,677	14,86,120
" Other Sorts	value.	.....	.....	.....	26,05,079	28,42,163	43,32,660
Seeds—							
Essential	Tons.	63	1,699	1,189	83,388	9,39,156	5,03,523
Copra or Cocoanut Kernel	"	6,856	7,207	4,570	20,83,339	30,90,254	19,59,574
Non Essential Other Sorts	"	848	853	1,807	1,67,129	2,61,638	5,30,948
Other than oil seeds	"	87	23	30	74,439	1,39,691	1,51,141
Shells and Cowries	"	.....	.....	.....	77,041	2,52,471	1,88,855
Ships, parts of (including Launches and Boats)	value.	.....	.....	.....	2,93,806	1,47,098	2,07,723
Smoker's requisites	"	.....	.....	.....	1,47,184	3,04,921	2,51,616
Soap	cwts.	86,929	151,994	1,33,093	42,33,901	51,98,064	49,77,749
Spices—							
Betel nuts	"	135,474	86,510	65,271	18,77,556	12,21,560	8,54,103
Cardamoms	"	517	43	1,178	35,970	5,167	1,03,438
Chillies	"	185	1,481	46	2,685	67,407	1,200
Cloves	"	103,618	82,635	54,099	52,84,081	54,23,341	31,36,519
Ginger	"	3,093	1,724	1,095	77,710	53,188	28,411
Nutmegs	"	3,851	6,861	3,982	1,43,089	2,76,249	1,38,107
Pepper	"	2,186	2,871	1,870	1,41,288	189,106	104,234
Other Sorts	"	1,471	3,184	1,261	1,63,317	199,347	81,503
Starch and Farina Starch	"	45,052	159,228	82,038	7,33,619	27,06,964	12,98,725
Farina Potato Flour	"	422	10,517	11,865	11,781	2,37,208	2,80,271
Stationery	value.	.....	.....	.....	35,30,614	42,23,178	87,44,705
Stones and Marble	Tons.	2,742	3,101	3,831	1,07,551	1,94,078	4,34,796
" Articles of	"	161	154	194	30,776	47,826	1,32,333

FOREIGN TRADE OF THE PORT OF BOMBAY—IMPORTS,—(*continued.*)

Articles.		Quantities.			Value.		
		1918-1919.	1919-1920.	1920-1921.	1918-1919.	919-1920.	1920-1921.
Sugar—					Rs.	Rs.	Rs.
Sugar 16 Dutch Standard and above ...	Tons	139,846	1,36,679	81,755	4,74,84,991	8,12,47,147	6,66,17,942
Sugar 15 " " below ...	"	.....	1	1	.....	617	483
Molasses	"	.....	7,322	444	.....	6,81,122	45,649
Confectionery	"	93	428	353	2,12,128	6,83,522	9,86,110
Saccharin	lbs.	460	26,847	4,732	10,065	2,92,426	4,60,468
Tallow and Stearine including Animal fat and Grease	cwts.	2,359	25,446	67,545	1,01,282	12,08,768	37,56,776
Tea Black	lbs.	4,834,233	2,682,464	1,497,180	34,08,904	16,62,332	8,12,984
Tea Green	"	3,647,115	3,229,408	2,723,822	35,64,867	27,52,563	23,35,745
Telephone, material for construction and assessories	value	.....	.....	.....	1,86,652	83,555	4,61,159
Textiles—							
Cotton—Raw	Tons.	4,660	3,165	9,259	1,20,29,377	67,19,178	1,69,37,881
" Waste	cwts.	6	2	1	246	42	6
" Twist and Yarn	lbs.	23,100,981	6,559,003	24,941,556	4,82,69,795	1,73,89,824	6,90,88,207
" Blankets	"	89,028	171,456	531,644	1,19,343	1,91,534	6,38,037
" Canvas	yds.	130,344	150,785	293,027	3,45,385	4,86,241	4,20,138
" Handkerchiefs	No.	4,006,361	2,959,380	5,339,821	19,18,473	9,54,410	18,05,995
" Shawls	No.		45,288	180,073		72,868	3,14,030
" Hosiery...	value.	.....	.....	.....	26,58,137	32,59,096	51,64,826
" Lace and Patent net	Yds.	1,268,450	443,641	373,752	12,82,980	3,91,950	4,55,045
" Grey Piece Goods	"	103,260,576	68,904,029	143,249,972	6,76,15,701	3,05,02,423	6,67,07,333
" White " "	"	90,267,902	85,681,147	102,049,443	4,45,69,211	4,35,55,657	5,46,20,646

„ Coloured Printed or Dyed Piece Goods... ... ... Yds.	108,997,702	83,779,689	177,842,274	5,77,82,586	5,21,73,300	12,73,65,940
„ Fents of all descriptions ... „	21,271,075	13,273,823	13,786,588	73,19,708	39,31,257	58,05,013
„ Rope ... ... lbs.	201,205	260,747	519,021	4,57,446	4,30,257	12,76,152
„ Thread Sewing ... ... „	641,620	412,150	545,144	24,29,129	18,53,989	32,14,200
„ Manufactures other Sorts ... value.	.....	.....	.....	10,84,509	7,06,018	17,07,056
Flax—Canvas ... ... yards.	172,921	369,126	511,243	4,59,851	7,24,836	13,09,154
„ Piece Goods ... ... „	105,555	183,864	272,999	1,29,208	2,08,254	2,80,229
„ Thread Sewing ... ... „	43,846	61,888	20,773	1,62,132	3,33,902	1,59,835
„ Manufactures other sorts ... value.	.....	.....	.....	1,39,002	3,48,488	5,48,503
Haberdashery and Millinery ... ... „	.....	.....	.....	59,94,091	56,49,133	1,61,00,242
Hemp—raw ... ... cwts.	1,217	1,043	407	72,538	42,840	20,517
„ Manufactures ... ... value.	.....	.....	.....	3,39,972	254,629	418,185
Jute Raw ... ... tons.	.....	.....	1	.....	.....	120
„ Twist and Yarn ... ... lbs.	3	7,585	20,230	1	3,569	7,761
„ Canvas ... ... Yds.	280,343	3,947,961	344,659	8,06,017	7,00,117	4,61,859
„ Manufactures other sorts ... value.	.....	.....	.....	57,264	84,165	2,82,656
Silk—Raw ... ... lbs.	1,249,401	2,034,098	1,511,227	86,42,399	1,51,76,104	1,19,01,972
„ Waste ... ... „	64,838	42,300	125,628	1,37,196	1,16,661	3,30,348
„ Yarn noils—warps ... ... „	719,655	456,198	752,735	56,58,568	31,83,958	80,00,604
„ Piece Goods mixed with other materials... ... ... Yds.	1,265,169	691,806	1,603,902	25,57,744	14,12,195	44,58,177
„ Piece Goods ... ... „	12,753,531	23,610,258	16,261,948	2,22,91,695	4,50,64,633	3,09,85,218
„ Thread for Sewing ... „	2,267	745	1,196	27,091	10,035	37,195
„ Manufactures other sorts ... lbs.	37,834	35,192	23,059	5,04,994	10,58,781	4,57,583
Wool Raw ... ... „	1,296,722	886,831	702,343	8,64,802	5,84,826	4,37,172
„ Yarn and Knitting Wool .. „	193,023	29,183	86,267	13,55,493	2,08,339	8,13,340
„ Blankets ... ... „	.....	.....	56,167	.....	.....	1,01,780
„ Carpets and Rugs ... ... „	105,167	309,303	248,012	3,80,541	11,07,231	11,40,303
„ Hosiery ... ... „	167,019	44,389	118,739	7,99,889	2,32,076	10,48,646
„ Piece Goods .... Yds.	4,115,744	2,342,193	6,520,707	1,35,44,452	91,42,474	2,71,93,097
„ Shawls ... ... no.	1,708	3,764	3,253	17,547	21,340	35,467
„ Manufactures other sorts ... lbs.	30,778	176,768	84,555	1,68,096	2,45,681	2,09,145

FOREIGN TRADE OF THE PORT OF BOMBAY—IMPORTS—(*concluded.*)

Articles.	Quantities.			Value.		
	1918-1919.	1919-1920.	1920-1921.	1918-1919.	1919-1920	1920-1921.
				Rs.	Rs.	Rs.
Artificial Silk—						
Artificial Silk Yarn ... ... lbs.	51,170	167,841	68,702	3,88,522	15,12,104	592,853
Piece Goods of Cotton and Artificial Silk ... ... Yds.	305,602	4,084,342	3,916,558	4,32,202	41,16,919	55,03,801
Tobacco—						
Unmanufactured ... ... lbs.	309,402	763,932	620,172	3,50,832	8,97,639	7,69,255
Manufactured-Cigars ... ... "	15,673	28,490	16,182	84,466	1,41,226	1,32,983
" Cigarettes ... ... "	1,014,688	1,143,743	1,106,757	56,83,623	51,95,596	50,79,958
" Tobacco for Pipes & Cigarettes "	.....	.....	190,165	.....	.....	5,95,292
" Other Sorts ... ... "	192,051	269,234	4,290	4,84,501	5,91,089	13,646
Toilet requisites ... ... value.	.....	.....	.....	19,56,044	15,71,654	15,98,394
Toys ... ... "	.....	.....	.....	11,05,435	20,42,027	18,44,919
Requisites for Games & Sports ... ... "	.....	.....	.....	7,21,557	10,01,249	7,49,314
Umbrellas (including Parasols and Sun-shades) ... ... No.	130,548	53,589	153,690	4,21,170	2,01,175	6,68,631
Umbrella Fittings ... ... value.	.....	....	.....	5,00,054	2,28,998	5,89,486
Wax of all kinds other than Paraffin Wax ... ... cwts.	435	1,368	683	25,162	85,688	41,288
Wood and timber						
Timber other than Railway Sleepers—						
Deal and Pine Wood ... ... c. tons	3,543	5,241	6,860	7,94,110	12,85,079	13,10,273
Teak wood ... ... "	8 284	35,849	27,044	22,35,285	72,43,952	48,78,440
Other Timber .. .. "	9,748	7,243	8,554	15,89,224	9,63,316	12,97,789
Wood—Firewood ... ... Tons.	126	114	88	3,062	2,411	1,635

Ornamental wood—Sandal ... ... Tons.	.....	341	729	3,29,130	1,58,406	3,21,463
" " Other Sorts ... value.	.....	.....	.....	23,331	3,435	40,395
Manufactures of Wood other than Cabinetware and Furniture... ... "	.....	....	.....	1,72,259	4,65,188	3,49,569
Article imported by Post ... ... "	.....	.....	.....	3,69,67,697	2,52,98,029	4,55,15,262
All other Articles ... ... "	.....	.....	.....	6,49,016	27,18,382	39,76,473
Total Value ...	.....	.....	.....	71,08,39,126	78,89,08,418	1,28,13,18,600
Treasures—Gold (Private) ... ... ozs. ...	1,126	1,157,592	1,730,567	65,735	7,06,49,992	11,45,08,879
" Silver (") ... ... "	4,506,121	398,460	39,486,391	1,18,07,493	10,66,477	10,15,74,948
Total Treasure ozs. ...	4,507,247	1,556,052	41,216,958	1,18,73,228	7,17,16,469	21,60,83,827
Grand Total Rs. ...	.....	.....	.....	72,27,12,354	86,06,24,887	1,49,74,02,427

FOREIGN TRADE OF THE PORT OF BOMBAY—EXPORTS

Articles.		Quantities.			Value.		
		1918-1919.	1919-1920.	1920-1921.	1918-1919.	1919-1920.	1920-1921.
Indian Produce and Manufactures.					Rs.	Rs.	Rs.
Animals, living	No.	741	1,437	729	82,400	3,46,548	1,30,240
Apparel	value.	.....	.....	.....	4,07,254	4,11,009	2,76,353
Books, Printed and Printed matters ...	cwts.	2,337	2,567	2,750	2,06,467	2,38,419	2,52,198
Boots and shoes	pairs.	110,656	3,28,941	236,931	3,26,926	11,85,642	11,63,869
Bristles	cwt.	573	612	885	4,01,437	3,65,936	3,94,315
Candles of all kinds	lbs.	1,241,454	1,248,227	316,086	5,98,721	6,25,646	1,65,444
Casein	cwts.	.....	9,405	17,599	.....	2,41,923	4,90,818
Chemicals and chemical preparations ...	value	.....	.....	.....	82,149	1,60,850	4,32,587
Coal Coke, and Patent Fuel :—							
Coal	tons.	685	6,991	3,330	14,516	1,70,685	1,18,312
Coke	,,	63	199	203	2,288	14,485	16,156
Coffee	cwts.	60,691	38,917	15,119	35,05,150	24,57,122	9,38,103
Coir, unmanufactured and manufactured (excluding Ropes)	tons.	1,833	1,605	453	5,37,783	5,15,182	1,75,085
Drugs and Medicines :—							
Nuxvomica	cwts	9,965	5,720	4,233	1,52,401	89,740	84,474
Senna	,,	2,480	4,449	366	44,986	70,811	9,257
Other Sorts	value.	.....	.....	.....	8,83,394	6,44,312	3,87,207
Dyeing and Tanning Substances :—							
Indigo	cwts.	4,281	4,179	1,301	18,01,190	19,34,302	5,96,847
Myrabollams	,,	340,890	745,850	4,43,867	19,69,348	43,09,992	23,51,478
Turmeric	,,	42,500	32,087	21,830	10,20,711	6,89,553	5,47,330

Other Sorts	cwts.	690	2,503	3,741	37,823	73,804	44,769
Fish (excluding Canned Fish)—							
Fish—dry Unsalted	"	3,881	7,328	3,335	92,766	2,10,133	94,415
" " Salted	"	1,522	662	.....	49,111	16,896	.....
Fishmaws and Sharkfins	"	1,113	1,970	3,310	1,58,255	3,53,878	6,69,514
Fodder Bran and Pollards—							
Bran and Pollards	tons.	1,866	2,601	2,260	2,40,438	4,04,304	3,63,323
Other Sorts	cwts.	399	3,595	2,341	2,076	11,236	15,182
Fruits and Vegetables—Fresh ...	value.	.....	....	.....	5,71,525	3,62,840	2,51,699
" " dry	tons.	3,799	2,707	1,941	12,63,063	10,26,188	6,75,616
Furniture and Cabinetware	value.	.....	.....	.....	2,28,469	6,17,443	5,18,263
Glass and Glassware	"	.....	.....	.....	39,691	1,74,840	99,227
Grain, Pulse and Flour—							
Barley	tons.	11,000	196	4,369	12,19,521	50,191	11,44,632
Jawar and Bajree	"	5,215	6,832	3,514	8,18,755	15,61,897	8,82,526
Maize	"	518	68	46	61,550	12,407	7,717
Oats	"	94	119	31	16,514	30,068	6,020
Pulse—Gram	"	13,936	1,317	706	17,19,608	3,15,147	1,89,863
" Lentils	"	17,484	4,112	1,289	32,41,751	9,43,986	3,90,319
" Other Sorts	"	10,888	341	378	15,91,755	1,00,959	1,03,113
Rice not in the husk	"	104,610	49,674	27,843	2,28,92,196	1,24,78,635	72,24,456
Rice Flour and Ground Rice	"	.....	8,822	24	.....	21,59,625	8,107
Wheat	"	39,613	2,473	2,038	62,63,292	7,38,991	6,38,721
Wheat Flour	"	22,307	38,662	31,407	60,80,141	1,23,17,004	99,56,499
Other Sorts	"	409	2,106	3,092	73,998	4,60,438	6,11,205
Gums and Resins—							
Arabic	cwts.	2,165	2,331	845	98,202	75,726	21,602
Rosin	"	.....	6,513	5,385	.....	1,44,227	1,52,950
Other Sorts	"	19,994	27,561	19,360	10,58,727	13,04,879	7,60,088
Hardware & Cutlery including Platedware	value.	.....	.....	.....	93,824	3,87,864	4,19,211
Hides and Skins—							
Hides raw	tons.	631	276	116	10,06,392	4,42,543	2,64,142
	No.	174,630	82,939	49,665			

FOREIGN TRADE OF THE PORT OF BOMBAY—EXPORTS—(*continued.*)

Articles.		Quantities.			Value.		
		1918-1919.	1919-1920.	1920-1921.	1918-1919.	1919-1920.	1920-1921.
					Rs.	Rs.	Rs.
Skins—raw	tons.	7,724	6,792	4,337	1,83,13,637	2,08,92,943	97,38,584
	No.	7,470,055	5,308,794	2,894,820			
Hides—Tanned or Dressed	tons.	2,926	4,551	477	64,93,710	2,09,64,650	21,44,867
	No.	739,318	1,133,664	129,534			
Skins Tanned or Dressed	tons.	1,309	546	233	1,29,99,530	42,19,588	15,45,918
	No.	3,772,464	1,470,332	562,151			
Horns Tips & Pieces of Horn & Hornmeal...	cwts.	14,637	20,999	15,184	5,53,947	6,46,095	3,74,558
Lac—Seed, Shell etc,...	"	7,421	43	31	9,99,480	5,908	2,235
Leather Unwrought	"	1,367	1,486	853	1,66,193	3,47,216	1,77,147
" Saddlery and Harness	value.	.....	.....	.....	9,660	28,059	85,072
" Manufactures other Sorts	"	.....	.....	.....	49,647	53,611	61,392
Manures—Bones	tons.	3,908	7,141	10,090	4,33,367	7,60,226	11,45,515
Metals and Ores—							
Brass, Bronze & Similar alloys wrought.	cwts.	48	851	1,571	8,299	1,30,733	2,21,280
Copper—Wrought	"	466	1,391	879	63,627	2,14,983	1,16,850
Iron or Steel (pig)	tons	.....	.....	66	.....	.....	11,102
" " Manufactures ...	"	292	396	442	1,59,703	2,30,546	2,39,736
Manganese Ore	"	180,376	249,667	391,650	32,73,181	45,72,858	82,65,229
Metals—other sorts	"	86	696	2,200	68,208	2,22,939	6,15,749
Ores—other Sorts	"	1,134	.....	3,701	48,615	13	88,204
Mica	cwts.	1,438	1,567	1,685	1,65,675	2,39,849	2,08,683
Oils—							
Animal	gallons	16,049	121,288	13,945	21,869	1,54,660	16,101

Essential Sandalwood oil	lbs.	113.139	149,553	114,653	28,57,687	38,37,530	28,36,110
Essential—Lemon Grass Oil	gallons	3,669	491	56	96,930	15,810	3,000
" Cinnamon Oil	"			1,692			49,954
" Ginger Grass Oil	"			818			39,650
" Palm Rosa	"	10,070	18,028	1,475	3,97,757	7,50,400	1,17,062
" Rosa	"			5,169			2,91,065
" Other Sorts	"			3,482			72,056
Mineral	"	149,461	48,837	1,979	1,58,537	60,367	4,549
Cocoanut...	"	840,879	754,875	36,673	21,72,839	23,78,237	1,22,595
Castor	"	452,840	45,744	3,211	14,53,022	1,59,598	11,282
Groundnut	"	132,384	26,678	8,556	3,50,470	1,00,531	35,666
Gingelly	"	83,644	112,946	71,291	2,20,660	3,33,094	2,06,633
Linseed	"	442,790	141,152	177,771	16,84,699	6,16,271	8,61,173
Mustard	"	12,168	5,741	2,984	35,060	22,074	8,452
Vegetable other Sorts	"	1,363	2,369	1,307	3,022	9,165	4,500
Oil Cakes—							
Castor Cake	tons.	292	823	118	25,617	87,965	15,159
Cotton Cake	"	.....	634	3,016	.....	83,588	4,31,683
Ground Nut Cake	"	4,262	6,182	3,729	3,48,441	8,28,645	4,92,099
Linseed Cake	"	2,270	4,114	6,032	1,67,058	5,76,487	10,93,049
Other Sorts	"	108	104	91	19,145	22,878	6,259
Paraffin Wax	cwts.	23	24	80	1,134	900	2,730
Perfumery	value.	.....	.....	.....	68,313	98,126	69,510
Precious Stones and Pearls	"	.....	.....	.....	57,200	1,34,451	44,310
Provisions and Oilmanstores—							
Butter	lbs.	6,011	4,692	3,079	7,11,993	6,01,316	4,54,444
Ghi	"	8,292	6,253	17,192	7,81,516	7,36,972	14,52,318
Pickles, Chutnies, Condiments...	cwts.	6,041	16,052	11,970	141,401	4,09,058	3,61,408
Other sorts	value.	.....	.....	.....	10,69,875	1,74,369	1,47,734
Rubber Raw	lbs.	89,488	20,832	50,196	1,68,545	6,633	15,250
" Manufactures	value.	.....	.....	.....	9,000	1,018	.....
Seeds—							
Essential	tons.	2,254	1,937	2,417	11,06,192	10,79,213	11,26,841

FOREIGN TRADE OF THE PORT OF BOMBAY—EXPORTS—(*continued.*)

Articles.		Quantities.			Value.		
		1918-1919.	1919-1920.	1920-1921.	1918-1919.	1919-1920.	1920-1921.
					Rs.	Rs.	Rs.
Castor	Tons	57,037	6,887	12,722	1,59,56,828	18,15,268	28,45,526
Copra	"	322	3,231	139	1,49,815	18,44,823	99,106
Cotton	"	318	154,212	81,168	44,583	2,15,18,762	79,35,602
Groundnuts	"	5,771	36,333	12,742	20,34,562	1,67,31,569	42,15,296
Linseed	"	144,153	103,284	70,448	3,32,34,523	4,31,40,847	2,37,54,987
Mowra	"	.....	1,955	5,061	.....	4,14,645	8,43,795
Mustard	"	1,763	2,357	1,090	7,01,878	13,69,766	4,43,434
Niger	"	11	416	55	3,941	1,62,787	15,595
Poppy	"	1,913	4,195	3,260	5,50,807	19,99,194	12,45,791
Rape	"	11,125	18,278	34,296	28,02,424	68,74,621	93,70,246
Teelseed...	"	1,187	44,849	10,818	4,18,736	2,15,89,392	42,86,972
Other sorts	"	167	500	159	38,409	1,66,906	58,645
Soap	cwts.	7,125	3,993	3,510	1,32,536	94,477	90,716
Stationery	value.	.....	.....	.....	1,23,300	1,09,251	78,789
Spices—							
Betelnuts	cwts.	1,812	2,587	2,429	68,170	1,04,194	96,551
Cardamoms	"	4,534	12,101	4,015	6,15,653	17,76,223	5,67,921
Chillies	"	2,368	5,845	11,847	63,296	2,15,401	3,81,180
Ginger	"	25,154	57,786	39,251	7,12,950	18,08,935	11,41,357
Pepper	"	72,365	50,254	22,357	39,96,345	27,46,398	11,46,519
Other sorts	"	440	291	123	17,608	19,604	4,478
Sugar, 16 Dutch Standard and above ...	tons.	6,353	1,028	755	34,45,756	7,81,473	6,43,010
Sugar, 15 Dutch Standard and below ...	"	343	119	230	1,13,490	49,666	1,27,547

Confectionery ... ... Tons.	35	54	18	33,423	62,113	24,428
Tea Black ... ... lbs.	14,290,543	7,445,141	3,600,303	1,33,50,941	64,07,406	28,67,224
Tea Green ... ... "	6,443	2,820	.....	6,646	2,127	.....
Tallow and Stearine ... ... cwts.	3,046	3,461	9,229	91,320	1,45,169	4,34,677
Textiles—						
Cotton—Raw ... ... tons.	160,690	345,536	292,182	27,24,62,227	47,18,97,465	33,17,11,509
" " ... .. Bales of 400 lbs.		1,948,481	1,635,610			
" Waste ... ... cwts.	70,976	288,491	205,609	28,22,630	82,40,808	51,57,140
" Kapok ... ... "	1,366	5,631	2,178	97,892	2,73,402	1,10,131
" Twist and Yarn ... ... lbs.	62,552,331	136,769,104	77,997,820	7,07,65,669	16,19,46,731	9,43,75,589
" Handkerchiefs and Shawls ... No.	327,940	716,482	315,217	2,46,583	4,81,892	3,35,411
" Hosiery ... ... value.	.....	.....	.....	2,03,024	2,16,700	89,124
" Grey Piece Goods ... ... Yds.	51,254,232	72,474,458	47,316,156	1,78,31,072	2,84,24,096	2,16,12,775
" White " ... ... "	3,001,463	1,860,833	1,294,737	13,02,172	7,99,030	7,73,110
" Coloured Printed or Dyed Piece Goods ... ... "	63,611,217	86,911,207	66,059,517	2,79,33,319	3,64,19,472	3,19,01,497
" Thread Sewing ... ... lbs.	140,347	243,837	157,924	2,00,988	4,08,976	2,48,764
" Manufactures other sorts... ... value.	.....	.....	.....	22,44,977	11,88,467	21,45,693
Haberdashery and Millinery ... ... "	.....	.....	.....	1,26,735	2,03,660	1,02,685
Hemp raw ... ... cwts.	174,487	216,134	96,123	79,52,845	75,97,088	28,18,154
" Manufactures ... ... value.	.....	.....	.....	18,290	4,347	19,458
Jute raw... ... ... tons.	89	1	22	22,500	900	4,500
" Twist and Yarn ... ... lbs.	112	.....	.....	300	.....	.....
" Manufactures ... ... value.	.....	.....	.....	13,43,465	16,62,178	13,78,776
Silk raw ... ... lbs.	363,099	302,527	237,055	28,73,816	6,34,712	4,53,373
" Goods Mixed with other Materials Yds.	464,244	150,785	43,085	5,58,554	1,87,159	74,941
" Piece Goods ... ... "	222,094	85,945	32,627	4,64,778	1,52,028	80,716
" Thread Sewing ... ... lbs.	6,244	1,100	1,030	33,403	4,100	5,753
" Other Sorts ... ... "	40,279	404	790	99,724	4,385	3,542
Wool—Raw ... ... "	35,038,804	19,825,876	10,752,711	4,20,46,112	2,57,34,824	1,24,55,068
" Carpets and Rugs... ... ... lbs.	174,322	711,114	757,319	2,41,427	22,39,784	28,04,115
" Piece Goods ... ... Yds.	1,718	25,969	22,080	3,540	1,23,722	79,803
" Shawls .... No.	1,566	596	189	30,338	8,092	1,751

FOREIGN TRADE OF THE PORT OF BOMBAY—EXPORTS—(*continued.*)

Articles.	Quantities.			Value.		
	1918-1919.	1919-1920.	1920-1921.	1918-1919.	1919-1920.	1920-1921.
				Rs.	Rs.	Rs.
Silk Manufactures other sorts ... ... lbs.	180,401	198,372	172,807	90,400	100,113	2,50,608
Tobacco—						
Unmanufactured .. .. lbs.	7,472,332	1,261,774	6,348,714	18,06,665	4,41,941	24,50,945
Manufactred Cigars ... ... "	39,976	60,952	31,793	72,406	1,14,435	55,957
" Cigarettes ... ... "	91,490	187,664	89,903	1,45,455	4,73,595	99,485
" Other Sorts ... ... "	62,209	38,159	10,429	40,885	30,197	6,985
Umbrellas, Parasols and Sunshades— ... No.	49,277	15,234	8,650	1,20,349	42,856	28,158
Wax of all kinds ... ... cwts.	183	1,016	310	13,828	91,435	19,671
Wood and Timber—						
Timber—Teakwood ... ... c. tons.	201	379	848	74,850	1,14,670	3,31,854
" Other Sorts .. .. "	442	2314	2,081	57,682	2,53,199	4,63,028
Wood—Firewood ... ... tons.	.....	233	303	.....	4,771	6,090
Ornamental—Sandal .. .. "	.....	132	117	1,01,747	2,13,298	1,94,007
" Other Sorts ... ... value.	.....	.....	.....	2,190	19,185	32,197
Wood—Manufactures of other than Cabinetware and Furniture.. "	.....	.....	.....	33,863	99,204	1,30,142
Articles exported by Post .. .. "	.....	.....	.....	83,24,986	84,44,357	94,07,276
All other Articles ... ... "	.....	.....	.....	7,59,700	17,51,998	14,68,457
Total Value Rs. ...	.....	.....	.....	66,11,70,351	1,01,10,58,168	65,58,85,650

FOREIGN MERCHANDISE.						
Animals Living	... No.	15	52	89	1,12,500	1,64,800	1,14,865
Apparel	... value.	.....	.....	.....	22,04,689	31,13,244	30,12,064
Books and Printed matter	... cwts.	419	483	801	76,465	1,20,853	1,88,338
Boots and Shoes	... pairs.	16,274	48,011	37,013	1,38,568	3,79,014	4,63,950
Building and Engineering Materials	... value.	.....	.....	.....	1,62,956	96,231	80,251
Carriages and Carts	... "	.....	.....	.....	1,42,338	10,86,426	11,03,074
Chemicals and Chemical preparations	... "	.....	.....	.....	6,75,180	6,31,379	5,56,022
Clocks and Watches and parts thereof	... "	.....	.....	.....	83,032	1,34,997	41,818
Coffee	... cwts.	3,798	21,513	28,594	2,08,996	11,13,504	12,29,743
Cutlery	... value.	.....	.....	.....	1,78,923	4,27,968	4,95,023
Drugs and Medicines—							
Assafoetida	.. cwts.	1,043	871	2,148	53,560	61,088	2,34,940
Camphor	... lbs.	428,413	225,865	37,698	12,72,750	15,45,352	1,68,855
Cassia Lignia	... cwts.	6,880	9,308	4,792	2,25,564	3,69,687	1,88,958
Other Sorts	... value.	.....	.....	.....	4,15,407	980,117	7,42,510
Dyeing and Tanning Substances—							
Cochineal	... cwts.	82	472	423	21,266	104,302	63,883
Alizarine	... lbs.	.....	1,165	1,344	.....	21,400	4,025
Aniline	... "	784	15,873	16,864	1,500	52,824	94,437
Saffron	... lbs.	6,548	12,359	10,900	61,958	1,70,896	87,179
Other Sorts	... cwts.	1,565	1,670	997	1,55,185	1,14,659	72,905
Earthernware and Porcelain ...	... value.	.....	.....	.....	4,55,181	8,19,318	6,53,187
Fish—Fishmaws and Sharkfins ...	... cwts.	4,548	6,275	5,132	6,21,870	11,64,107	11,41,671
" Other Sorts	... "	.....	100	156	15	1,160	10,012
Fruits and Vegetables—Fresh ...	... value.	.....	.....	.....	.....	912	1,746
" " Dry ...	... tons.	4,750	4,879	7,281	35,42,855	3,561,210	51,52,738
Furniture and Cabinetware ...	... value.	.....	.....	.....	53,105	1,77,137	2,64,388
Glass and Glassware—							
Beads and False Pearls... ...	... cwts.	513	594	401	71,184	89,242	79,531
Bottles	... gross.	3,946	6,050	2,359	37,175	58,878	46,774
Sheet and Plate	Supl. Ft.	12,660	1,83,124	180,157	5,548	98,023	79,965
Other Sorts	... value.	.....	.....	.....	8,44,917	14,06,183	13,54,249

FOREIGN TRADE OF THE PORT OF BOMBAY—EXPORTS—(*continued.*)

Articles.	Quantities.			Value.		
	1918-1919.	1919-1920.	1920-1921.	1918-1919.	1919-1920.	1920-1921.
				Rs.	Rs.	Rs.
Grain Pulse and Flour—						
Rice not in the husk ... ... tons.	456	29	.....	1,04,192	8,000	.....
Wheat ... ... "	.....	7,207	.....	.....	14,10,607	50
Other Sorts ... ... "	103	2	20	32,092	808	4,400
Gums and Resins—						
Arabic ... ... cwts.	2,013	5,963	8,855	1,30,418	2,52,597	3,47,059
Benjamin ... ... "	2,188	2,690	966	1,16,745	1,60,691	57,450
Olibanum ... ... "	14,639	15,010	12,543	3,67,773	5,22,163	4,07,011
Rosin	1,411	1,032	1,141	27,518	20,709	32,453
Other Sorts ... ... "	12,325	15,295	22,930	12,89,335	15,33,351	17,38,641
Hardware ... ... value.	.....	.....	.....	11,03,627	24,48,810	22,97,160
Hides and Skins—						
Skins Raw ... ... tons.	.....	1	135	.....	5,300	56,96,017
" " ... ... No.	.....	53,000	531,710			
Skins—Dressed or Tanned .. ... tons.	.....	.....	4	150		1,32,770
" " " ... ... No.	46	.....	12,233			
Ivory, unmanufactured ... ... lbs.	1,05,143	1,81,638	136,356	6,90,434	11,01,974	8,73,513
" manufactured ... ... value.	.....	.....	.....	.....	1,875	690
Instruments, Apparatus and Appliances and parts thereof—						
Electrical ... ... value	.....	.....	.....	1,11,682	1,59,115	3,38,874
Musical... ... ... "	.....	.....	.....	28,693	70,468	99,954
Photographic ... ... "	.....	.....	.....	2,54,965	1,42,575	48,054

Other Sorts ... ... value	.....	.....	.....	1,63,902	94,775	1,31,639
Jewellery and Plate of Gold and Silver ... „	.....	.....	.....	20,941	2,77,744	2,68,333
Leather Unwrought ... ... cwts.	93	35	44	90,282	18,680	17,170
„ Manufactures ... ... value.	.....	.....	.....	1,35,204	2,62,845	1,78,320
Liquors—						
Ale Beer or Porter ... ...gallons.	37,883	57,123	35,628	1,30,881	2,08,869	1,27,476
Cider and other fermented Liquors ... „	170	72	42	963	340	313
Spirit-Brandy ... ... „	863	1,449	692	24,612	34,293	25,335
„ Whisky ... ... „	2,913	14,322	4,317	58,597	3,11,816	1,23,285
„ Other Sorts .... „	3,663	3,840	7,200	27,738	71,161	2,18,592
Wines—Port and other still Red wines „	2,132	1,281	1,880	11,307	23,258	36,110
„ Other sorts ... ... „	349	3,497	1,926	6,886	66,827	37,522
Machinery and Mill Work ... ... value.	.....	.....	.....	3,09,517	10,50,118	10,38,790
Matches—Gross of Box ... ... „	394,356	5,69,292	177,552	7,81,820	9,82,135	3,02,076
Metals and Ores—						
Brass Bronze & Similar alloys Wrought. cwts.	276	1,343	1,242	30,438	1,59,429	1,40,917
Copper—Wrought ... ... „	1,300	11,535	7,126	1,71,653	14,19,090	6,95,526
Iron or Steel ... ... tons.	1,305	1,542	2,869	9,11,761	10,05,353	13,82,894
Lead ... ... cwts.	63	1,156	409	3,230	27,800	12,743
Quick Silver ... ... lbs.	78	12,632	5,383	515	56,823	16,690
Tin unwrought ... ... cwts.	1,550	5,710	378	3,00,905	12,28,339	68,223
Metals other Sorts ... ... „	125	1,013	2,016	26,986	2,50,896	3,80,166
Ores all sorts ... ... tons.	.....	.....	346	.....	.....	14,380
Oil Mineral Kerosene ... ...gallons	13,293	200,418	148,132	12,359	1,69,347	1,3[illegible],974
„ „ Other kinds ... ... „	562,806	718,416	700,980	1,62,937	2,31,075	2,24,058
„ Linseed ... ... „	30,621	8,404	3,196	2,29,177	39,668	16,207
„ Other Sorts ... ... „	269	6,159	13,396	4,727	24,010	40,452
Paints and Colours ... ... cwts.	2,365	2,628	2,069	1,68,050	2,35,708	1,91,009
Paper and Pasteboard ... ... value.	.....	.....	.....	6,09,296	6,32,069	5,07,146
Perfumery ... ... „	.....	.....	.....	67,553	1,42,878	68,914
Provisions and Oilmanstores ... ... cwts.	13,282	18,163	20,957	8,38,319	10,78,742	14,14,036
Shells and Cowries ... ... value.	.....	.....	.....	96,010	2,97,856	84,282
Soap ... ... cwts.	9,269	20,882	2,844	3,70,620	8,34,980	1,39,969

FOREIGN TRADE OF THE PORT OF BOMBAY—EXPORTS—(*concluded.*)

ARTICLES.		Quantities.			Value.		
		1918-1919.	1919-1920.	1920-1921.	1918-1919.	1919-1920.	1920-1921.
					Rs.	Rs.	Rs.
Spices—							
Cloves	cwts.	26,468	27,133	16,414	14,90,047	21,61,457	11,21,599
Nutmegs	"	640	1,275	215	47,531	96,077	11,083
Pepper	"	825	1,382	.....	40,972	79,507	25
Other Sorts	"	483	786	239	54,543	55,321	22,220
Stationery	value.	.....	.....	.....	4,52,727	5,22,120	4,79,004
Sugar—							
Sugar 16 Dutch Standard and above ...	Tons.	26,407	28,845	37,571	1,13,48,413	1,66,82,744	3,18,31,135
" 15 " " " below ...	"	.....	.....	.....	15	.....	.....
Confectionery	"	6	43	24	5,989	65,545	47,427
Tea—Black	lbs.	1,588,229	923,103	251,338	14,05,170	7,94,129	2,13,857
Tea—Green	"	37,743	26,511	13,739	39,011	34,881	16,633
Textiles—							
Cotton—Raw	Tons.	2	.....	821	1,050	70	25,86,898
" Twist and Yarn	lbs.	1,664,915	2,245,605	310,490	32,07,046	27,44,679	7,42,344
" Canvas	yds.	8,961	12,285	32,662	16,970	17,348	69,609
" Handkerchiefs and Shawls ...	No.	1,150,769	672,481	608,988	10,27,907	3,89,836	8,99,215
" Hosiery	value.	.....	.....	.....	14,37,370	17,13,115	8,92,961
" Lace and Patent net	yds.	181,703	247,939	80,185	57,705	1,40,470	41,429
" Grey Piece Goods	"	39,964,799	35,891,731	32,053,188	1,97,29,022	1,86,12,438	1,80,66,029
" White "	"	22,309,987	16,480,036	5,865,073	1,07,48,435	90,09,219	33,55,749
" Coloured, Printed or Dyed Piece Goods	"	39,176,645	23,824,740	13,147,322	2,10,83,525	1,44,04,383	84,85,380
" Fents of all descriptions ...	"	27,668	56,769	19,585	8,578	41,386	7,998

Cotton—Thread-Sewing... ... ... lbs.	183,470	242,277	94,333	3,82,724	5,72,408	2,08,503
„ Manufactures, other Sorts ... „	170,357	163,842	303,897	2,60,971	2,56,653	4,78,403
Haberdashery and Millinery ... ... value.	.....	.....	.....	4,23,452	7,00,702	4,91,939
Silk—Raw ... ... lbs.	29,883	157,075	100,347	2,10,921	11,75,325	4,86,558
„ Yarn noils and warps ... ... „	18,816	18,457	16,197	32,610	40,620	29,050
„ Goods mixed with other materials... yds.	348,361	373,994	49,576	6,17,615	5,55,339	87,187
„ Piece Goods ... ... „	1,783,347	2,008,054	844,557	29,12,538	36,42,060	16,56,852
„ Thread, Sewing ... ... lbs.	7,115	3,751	1,437	73,333	18,640	7,385
„ Manufactures other Sorts ... ... „	6,273	5,907	4,363	27,032	38,167	34,323
Wool—Raw ... ... „	308,448	150,528	14,224	3,68,430	1,28,254	13,770
„ Piece Goods ... ... yds.	325,721	395,863	233,547	12,67,627	20,52,715	10,65,237
„ Shawls ... ... No.	645	2,380	6,567	7,675	25,950	34,753
„ Manufactures other Sorts ... ... lbs.	28,510	405,650	180,985	1,11,917	9,14,984	9,90,413
Tobacco Unmanufactured ... ... „	233,345	313,455	634,672	2,15,768	3,60,269	5,62,305
„ Manufactured ... ... „	138,017	222,582	124,989	5,65,509	8,91,102	4,35,057
Toys and Requisites for Games & Sports ... value	.....	.....	.....	1,87,150	2,10,985	1,76,655
Umbrellas Parasols and Sunshades ... No.	24,308	40,702	14,165	53,546	1,24,752	53,569
Wood and Timber—						
Timber—Teak ... ... cubic tons.	265	169	175	78,978	48,032	65,603
„ other ... ... „	555	392	526	1,30,861	88,797	127,100
Wood—Ornamental ... ... value.	.....	.....	.....	4,179		
„ Manufactures of (other than cabinetware and furniture) ... „	.....	.....	.....	13,855	5,265 1 63,131	3,970 7,10,165
Articles re-Exported by Post ... ... „	.....	.....	.....	19,41,844	19,66,383	28,13,391
All other articles ... ... „	.....	.....	.....	10,97,743	22,16,438	22,18,987
Total Value ... Rs.	.....	.....	.....	10,50,35,801	12,09,02,024	11,93,73,633
Total Indian and Foreign Merchandise ... Rs.	.....	.....	.....	76,62,06,152	1,13,19,60,192	77,52,59,283
Treasure—Gold (Private)... ... ... ozs.	443,373	1,220,395	2,648,246	2,50,93,720	6,93,10,881	19,55,52,527
„ Silver (do.)... ... ... „	1,232,015	2,356,656	12,795,509	17,74,483	28,81,848	2,55,42,097
Total Treasure ... ozs.	1,675,388	3,577,051	15,443,755	2,68,68,203	7,21,92,729	22,10,94,624
Grand Total ... Rs.	.....	.....	.....	79,30,74,355	1,20,41,52,921	99,63,53,907

Exports of Cotton, Wool, Linseed, Rape Seed, Gingelly Seed, Wheat and Myrabollams from Bombay to Europe (including Port Said for orders) during the years 1892 *to* 1921.

Year.	Cotton.	Wool and Goat Hair.	Linseed.	Rape Seed.	Gingelly Seed.	Wheat.	Myrabollams.
	F. P. Bales.	F. P. Bales.	Cwts.	Cwts.	Cwts.	Cwts.	Cwts.
1892	954,243	53,275	3,805,823	1,758,459	1,227,560	9,374,762	620,133
1893	857,771	49,538	4,319,264	4,275,862	1,510,317	5,043,690	563,053
1894	797,070	54,678	5,389,941	3,306,108	1,126,418	1,561,048	1,076,482
1895	624,465	61,586	2,639,749	1,829,827	1,379,335	2,522,933	775,582
1896	772,258	58,520	3,214,613	1,495,463	1,186,842	1,429,572	839,314
1897	511,899	51,710	775,838	1,874,663	831,398	5,343	555,081
1898	490,544	51,653	2,729,122	2,287,393	1,847,419	5,781,881	635,732
1899	500,232	53,272	2,136,142	1,967,680	1,613,679	2,852,863	752,343
1900	232,425	40,611	811,128	1,050,052	1,613,135	608	878,740
1901	560,434	33,091	1,754,701	2,586,544	1,704,817	38,619	728,055
1902	577,929	39,793	2,017,704	2,742,283	1,881,426	211,397	1,079,241
1903	958,199	49,332	2,957,635	2,614,181	3,063,821	2,783,625	748,137
1904	926,295	58,319	3,808,798	2,182,881	2,266,118	5,302,304	958,886

1905	...	...	...	...	...	667,323	63,666	3,485,956	728,041	1,420,503	4,205,315	621,298
1906	...	...	...	...	...	989,693	59,101	1,889,089	829,438	1,578,931	485,747	779,584
1907	...	...	...	...	...	1,126,376	54,390	2,333,472	2,026,544	2,235,206	552,660	848,293
1908	...	...	...	..	...	659,822	47,344	1,046,806	802,923	1,018,619	12,740	1,304,388
1909	...	...	...	...	..	672,247	69,121	1,843,403	1,273,005	1,620,631	2,177,644	828,110
1910	...	...	...	...	...	1,153,233	68,059	2,546,238	2,137,828	2,864,185	1,673,016	1,158,387
1911	...	...	...	...	...	776,417	62,721	4,905,089	1,384,053	2,016,231	3,326,327	835,285
1912	...	...	...	...	...	436,208	64,072	3,579,356	1,069,916	1,012,554	3,805,556	758,273
1913	...	...	...	...	...	736,262	63,244	3,713,812	1,042,510	1,695,999	4,997,989	618,587
1914	...	...	...	...	...	1,113,016	54,555	2,622,097	678,060	1,280,036	109,323	827,219
1915	...	...	..	...	...	403,322	82,456	1,603,837	543,494	150,068	1,593,092	644,948
1916	...	...	...	...	...	293,876	77,109	5,410,560	451,732	1,130,405	545,656	422,965
1917	...	...	...	...	..	358,378	84,151	2,630,619	321,811	639,091	4,636,634	408,692
1918	...	..	...	...	...	190,529	109,850	2,474,109	73,181	3,552	1,487,714	300,061
1919	...	...	...	...	...	337,043	63,938	2,689,540	396,514	331,022	126,416	569,816
1920	...	...	...	...	...	649,736	42,920	1,511,233	729,716	678,059	... ...	481,873
1921	...	...	...	...	...	503,315	37,301	524,442	155,908	64,842	....	528,809

SHIPPING—FOR

Number and Tonnage of Vessels, distinguishing Sailing and from and to Foreign Countries at Ports in British

EN

YEAR	With Cargoes.						In	
	Sailing.		Steam.		Total.		Sailing.	
	Vessels.	Net Tons.	Vessels.	Net Tons.	Vessels.	Net Tons.	Vessels.	Net Tons.
1911-1912	792	74,163	2,321	5,944,606	3,113	6,018,769	447	34,336
1912-1913	753	74,624	2,335	6,206,570	3,088	6,281,194	374	30,497
1913-1914	707	59,280	2,461	6,725,603	3,168	6,784,883	393	32,420
1914-1915	735	64,034	2,155	4,996,121	2,890	5,060,155	435	29,780
1915-1916	841	76,169	2,018	4,276,172	2,859	4,352,341	502	39,515
1916-1917	1,305	111,400	1,944	3,938,226	3,249	4,049,716	797	66,085
1917-1918	1,440	131,528	1,905	3,278,911	3,345	3,410,439	1,334	116,262
1918-1919	1,151	113,900	1,975	3,639,088	3,126	3,752,988	851	89,200
1919-1920	1,050	106,104	2,085	5,060,216	3,135	5,166,320	431	48,365
1920-1921	887	88,057	2,432	6,472,974	3,319	6,561,031	396	47,118

CLEAR

1911-1912	1,129	98,315	2,986	7,730,295	4,115	7,828,610	76	4,804
1912-1913	992	92,811	3,113	8,289,177	4,105	8,381,988	74	6,804
1913-1914	1,033	88,211	2,979	8,163,976	4,012	8,252,187	74	5,650
1914-1915	1,128	93,243	2,578	5,890,335	3,706	5,983,578	51	3,136
1915-1916	1,493	133,089	2,776	5,689,745	4,269	5,822,834	51	3,737
1916-1917	2,349	201,676	2,836	5,688,762	5,185	5,890,438	89	6,027
1917-1918	3,085	272,743	2,774	5,224,733	5,859	5,497,481	62	3,791
1918-1919	2,219	243,281	2,510	4,898,810	4,729	5,142,091	72	4,109
1919-1920	1,447	160,891	2,491	6,002,962	3,938	6,163,853	105	9,411
1920-1921	1238	137,038	2,706	6,908,705	3,944	7,045,843	96	9,342

EIGN TRADE

Steam, which Entered and Cleared with cargoes and in Ballast, India in each Official Year from 1911-1912 *to* 1920-21.

TERED

Ballast.				Total.				Grand Total.	
Steam.		Total.		Sailing		Steam.			
Vessels.	Net Tons.	Vessels.	Net Tons.	Vessels.	Net Tons.	Vessels.	Net Tons.	Sailing & Steam Vessels.	Net Tons.
921	2 301,772	1,368	2,336,108	1,239	108,499	3,242	8,246,378	4,481	8,354,877
946	2,415,936	1,320	2,446,433	1,127	105,121	3,281	8,622,506	4,408	8,727,627
733	1,806,776	1,126	1,839,196	1,100	91,700	3,194	8,532,379	4,294	8,624,079
612	1,222,610	1,047	1,252,390	1,170	93,814	2,767	6,218,731	3,937	6,312,545
851	1,646,503	1,353	1,686,018	1,343	115,684	2,869	5,922,675	4,212	6,038,359
962	1,776,029	1,759	1,842,114	2,102	177,575	2,906	5,714,255	5,008	5,891,830
820	1,722.967	2,154	1,839,229	2,774	247,790	2,725	5,001,878	5,499	5,249,668
667	1,410,287	1,518	1,499,487	2,002	203,100	2,642	5,049,375	4,662	5,253,951
506	1,283,611	937	1,241,976	1,481	154,469	2,591	6,343,827	4,072	6,408,296
616	1,438,226	1 012	1,485,444	1,283	135,275	3,048	7,911,206	4,331	8,046,481

ED.

196	428,144	272	432,948	1,205	103,119	3,182	8,158,439	4,387	8,261,558
162	367,972	236	374,776	1,066	99,615	3,275	8,657,149	4,341	8,756,764
237	504,492	311	510,142	1,107	93,861	3,216	8,668,468	4,323	8,762,329
266	558,626	317	561,762	1,179	96,379	2,844	6,448,961	4,023	6,545,342
102	287,372	153	291,109	1,544	136,826	2,878	5,977,117	4,422	6,113,943
104	166,668	193	172,695	2,438	207,703	2,940	5,855,430	5,378	6,063,133
39	116,923	101	120,714	3,147	276,539	2,813	5,341,656	5,960	5,618,195
59	138,730	131	142,839	2,291	247,390	2.569	5,037,540	4 860	5,284,930
113	328,432	218	337,843	1,552	170,302	2,604	6,331,394	4,156	6,501,696
132	371,661	228	381,003	1,334	146,380	2,838	7,280,366	4,172	7,426,746

SHIPPING—FOR

Number and Tonnage of Vessels, distinguishing Sailing and Ballast, from and to Foreign Countries at in each Official Year from

EN

YEAR.	With Cargoes.						In	
	Sailing.		Steam.		Total.		Sailing.	
	Vessels.	Net Tons.	Vessels.	Net Tons.	Vessels.	Net Tons.	Vessels.	Net Tons.
1911–1912 ...	146	19,383	648	1,810,318	794	1,829,701	1	160
1912–1913 ...	163	20,464	650	1,893,534	813	1,913,998	1	177
1913–1914 ...	142	14,882	662	1,992,169	804	2,007,051	...	.....
1914–1915 ...	159	15,723	557	1,656,794	716	1,672,517	...	.....
1915–1916 ...	223	20,307	453	1,362,636	676	1,382,943	...	.....
1916–1917 ...	281	26,382	437	1,299,299	718	1,325,681	...	.....
1917–1918 ...	331	39,183	374	1,051,127	705	1,090,310	14	1,719
1918–1919 ...	300	40,834	401	1,119,059	701	1,159,893	20	3,715
1919–1920 ...	263	34,095	619	1,934,787	882	1,968,882	1	441
1920–1921 ...	202	25,676	634	2,035,763	836	2,061,439	1	125

CLEAR

1911–1912 ...	121	13,522	541	1,520,104	662	1,533,626	...	.....
1912–1913 ...	118	16,023	571	1,610,650	689	1,626,673	...	.....
1913–1914 ...	113	12,055	619	1,818,005	732	1,830,060	...	.....
1914–1915 ...	117	12,503	463	1 359,300	580	1,371,803	...	.....
1915–1916 ...	211	21,466	459	1,297,026	670	1,318,492	2	282
1916–1917 ...	252	24,999	493	1,380,485	745	1,405,484	1	615
1917–1918 ...	466	54,362	430	1,203,348	896	1,257,710	1	26
1918–1919 ...	364	51,620	358	963,374	722	1,014,994	3	490
1919–1920 ...	233	31,061	638	1,937,833	871	1,968,894	7	838
1920–1921 ...	181	21,623	575	1,831,245	756	1,852,868	10	1,096

EIGN TRADE

Steam, which Entered and Cleared with Cargoes and in the Chief Port of the Bombay Presidency
1911-1912 *to* 1920-1921.

TERED

Ballast.				Total.				Grand Total.	
Steam.		Total.		Sailing.		Steam.			
Vessels.	Net Tons.	Vessels.	Net Tons.	Vessels.	Net Tons.	Vessels.	Net Tons.	Sailing and Steam Vessels.	Net Tons.
109	269,291	110	269,451	147	19,543	757	2,079,609	904	2,099,152
104	276,013	105	276,190	164	20,641	754	2,169,547	918	2,190,188
101	271,281	101	271,281	142	14,882	763	2,263,450	905	2,278,332
56	145,705	56	145,705	159	15,723	613	1,802,499	772	1,818,222
158	389,689	158	389,689	223	20,307	611	1,752,325	834	1,772,632
200	372,751	200	372,751	281	26,382	637	1,672,050	918	1,698,432
60	141,810	74	143,529	345	40,902	434	1,192,937	779	1,233,839
33	85,388	53	89,103	320	44,549	434	1,204,447	754	1,248,996
113	271,652	114	272,093	264	34,536	732	2,206,439	996	2,240,975
93	198,949	94	199,074	203	25,801	727	2,234,712	930	2,260,513

ED

47	136,076	47	136,076	121	13,522	588	1,656,180	709	1,669,702
26	80,335	26	80,335	118	16,023	597	1,690,985	715	1,707,008
38	121,231	38	121,231	113	12,055	657	1,939,236	770	1,951,297
67	188,055	67	188,055	117	12,503	530	1,547,355	647	1,559,858
27	71,633	29	71,915	213	21,748	486	1,368,659	699	1,390,407
63	44,422	64	45,037	253	25,614	556	1,424,907	809	1,450,521
12	28,872	13	28,898	467	54,388	442	1,232,220	909	1,286,608
31	66,351	34	66,841	367	52,110	389	1,029,725	756	1,081,835
61	177,780	68	178,618	240	31,899	699	2,115,613	939	2,147,512
51	135,636	61	136,732	191	22,719	626	1,966,881	817	1,989,600

SHIPPING FOR

Number and Tonnage of Vessels, distinguishing Sailing and from and to Foreign Countries, at Ports in

EN

Months.	With Cargoes.						In	
	Steamers.		Sailing Vessels.		Country Craft.		Steamers.	
	Vessels.	Net Tons.	Vessels	Net Tons.	Vessels.	Net Tons.	Vessels.	Net Tons.
January ...	57	188,231	...	...	42	3,891	10	27,178
February ...	55	185,505	...	...	21	2,692	2	5,267
March ..	51	162,204	...	...	25	3,218	6	7,763
April ...	60	193,232	...	...	13	1,721	4	8,617
May ...	58	161,915	...	...	14	1,458	9	20,539
June ...	63	190,448	...	...	5	681	6	16,465
July ...	58	181,679	...	...	...	...	3	6,159
August ...	51	162,628	...	...	...	...	...	...
September ...	59	187,481	...	...	2	265	...	...
October ...	69	221,085	...	...	46	5,110	...	...
November ...	78	258,494	...	...	33	5,446	4	5,651
December ...	67	218,300	...	...	38	4,150	4	9,978
Total ...	726	2,311,202	...	...	239	28,632	48	107,617
								CLEA
January ...	44	145,797	...	...	44	5,026	7	17,051
February ...	54	169,067	...	...	19	2,304	8	16,538
March ...	41	122,207	...	...	21	2,595	9	24,299
April ...	52	154,072	...	...	27	4,112	6	18,226
May ...	45	135,471	...	...	7	1,360	21	58,547
June ...	37	122,541	...	...	...	...	15	44,420
July ...	37	120,373	...	...	...	...	22	64,041
August ...	35	110,883	...	...	...	...	17	53,696
September ...	35	117,829	...	..	...	...	24	72,716
October ...	34	107,405	...	...	10	943	21	63,756
November ...	36	130,262	...	...	11	1,453	28	89,832
December ...	52	158,984	...	...	24	2,838	32	88,425
Total ...	502	1,594,891	...	...	163	20,631	210	611,547

EIGN TRADE

Steam which Entered and Cleared with Cargoes and in Ballast the Bombay Presidency during the year 1921.

TERED

Ballast.				Total.			
Sailing Vessels.		Country Craft.		With Cargoes.		In Ballast.	
Vessels.	Net Tons.	Vessels.	Net Tons.	Vessels.	Net Tons.	Vessels.	Net Tons.
...	...	...	...	99	192,122	10	27,178
...	...	...	...	76	188,197	2	5,267
...	...	...	...	76	165,422	6	7,763
...	...	...	...	73	194,953	4	8,617
...	...	...	...	72	163,373	9	20,539
...	...	...	...	68	191,129	6	16,465
...	...	...	...	58	181,679	3	6,159
...	...	...	...	51	162,628	...	...
...	...	...	...	61	187,746	...	...
...	...	...	...	115	226,195	...	...
...	...	...	...	111	263,940	4	5,651
...	...	2	434	105	222,450	6	10,412
...	...	2	434	965	2,339,834	50	108,051
RED							
...	...	3	424	88	150,823	10	17,475
...	...	...	...	73	171,371	8	16,538
...	...	...	...	62	124,802	9	24,299
...	...	...	...	79	158,184	6	18,226
...	...	...	...	52	136,831	21	58,547
...	...	...	...	37	122,541	15	44,420
...	...	...	...	37	120,373	22	64,041
...	...	...	...	35	110,883	17	53,696
...	...	...	...	35	117,829	24	72,716
...	...	...	...	44	108,348	21	63,756
1	124	...	...	47	131,715	29	89,956
...	...	3	388	76	161,822	35	88,813
1	124	6	812	665	1,615,522	217	612,483

Exports of Bombay Manufactured Piece Goods & Yarns from Bombay Port only :—

From Official Return.] **1919–1920.** *[Year ending 31st March 1920*

Exported to	Length & Weight							Value					
	Piece Goods.		Yarns	Percentage of		Total Weight		Lakhs of Rupees (000's omitted)		Percentage of		Total Value in Lakhs of Rupees (000's omitted)	Percentage
	Millions of (0000's omitted.)			Goods	Yarns	Millions of lbs. (0000's omitted)	Piece Goods			Goods	Yarns		
	Yards	lbs.	lbs.	per cent.	per cent.		per cent	Goods	Yarns	per cent.	per cent.		
Foreign Ports	161·24	* 40·31	136·77	20·23	72.74	177·08	45·72	† 656·42	1619·47	18·51	71·55	‡ 2275·89	39·18
Indian Porta	247·32	* 61·83	17·77	31·02	9·45	79·60	20·55	(a) 1160·29	225·26	32·73	9·95	(b) 1385·55	23·85
Interior by Rail... ...	* 388·68	97·17	33·48	48·75	17·81	130·65	33·73	§ 1728·80	§ 418·84	48·76	18·50	§ 2147·64	36·97
Total Indian	636·00	159·00	51·25	79·77	27·26	210·25	54·28	2889·09	644·10	81·49	28·45	3533·19	60·82
Grand Total	797·24	199·31	188·02	100·00	100·00	387·33	100·00	3545·51	2263·57	100·00	100·00	5809·08	100·00

* Assuming 4 yds. to be the equivalent of 1 lb., and vice versa.

† Piece Goods only : value including all other sorts (Handkerchiefs, Hosiery etc.), Rs. 679·39 lakhs ; or,

‡ Inclusive of Yarns Rs. 2298·85 lakhs.

§ Estimated, Government having discontinued the publication of the value of Indian Manufactured Goods despached to "other provinces" from Bombay Port.

(a) Piece Goods only ; value including all other sorts (Handkerchiefs, Hosiery etc.), Rs. 1205·89 lakhs, or,

(b) Inclusive of Yarns, Rs. 1431·15 lakhs.

Exports of Bombay Manufactured Piece Goods & Yarns from Bombay Port only

From Official Returns]. **1920–1921.** [*Year ending 31st March 1921.*

Exported to	Length & Weight.							Value.					
	Piece Goods		Yarns	Percentage of		Total Weight		Lakhs of Rupees (000's omitted)		Percentage of		Total Value in Lakhs of Rupees (000's	Percentage
	Millions of (0000's omitted)			Goods.	Yarns	Millions of lbs. (0000's omitted	Piece Goods			Goods	Yarns		
	Yards	lbs.	lbs.	per cent.	per cent.		per cent	Goods	Yarns	per cent	per cent		
Foreign Ports	114·67	*2 67	77·91	13·35	46·85	106·58	27 97	† 542·87	943·76	13·72	47·33	‡ 1486·63	24·98
Indian Ports	252·78	* 63·19	29·52	29·41	17·75	92·71	24·32	(a) 1296·00	382·23	32·75	19·17	(b) 1678·23	28·20
Interior by Rail ...	* 492·01	123·00	58·85	57·24	35·40	181·85	47·71	§ 2118·39	§ 667·89	53·53	33·50	§ 2786·28	46·82
Total Indian	744·79	186·19	88·37	86·65	53 15	274·56	72·03	3414·39	1050·12	86·28	52·67	4464·51	75·02
Grand Total	859·46	214·86	166·28	100·00	100·00	381·14	100·00	3957·26	1993·88	100·00	100·00	5951·14	100·00

* Assuming 4 yds. to be the equivalent of 1 lb., and vice versa.

† Piece Goods only: value including all other sorts (Handkerchiefs, Hosiery etc.), Rs. 571·06 lakhs; or,

‡ Inclusive of Yarns, Rs. 1514·82 lakhs.

§ Estimated, Government having discontinued the publication of the value of Indian Manufactured Goods despatched to "other provinces" from Bombay Port.

(a) Piece Goods only; value including all other sorts (Handkerchiefs, Hosiery etc.), Rs. 1346·69 lakhs or,

(b) Inclusive of Yarns, Rs. 1728·92 lakhs.

Foreign Countries to which Cotton Grey Piece Goods of Indian Manufacture have been exported from Bombay since 1915-16.

From Government Returns.] [*Year ending 31st March.*

To	In lakhs of yards (000's omitted.)					
	1915-16.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.
Aden and Dependencies ...	168·99	580·83	141·38	114·02	106·28	126 14
Bahrein Islands	10·18	36·25	15·70	5·23	8·78	3·10
Ceylon	1·01	·92	3·29	8·55	2·79	3·53
Straits Settlements including Labuan	1·08	15·33	24·65	15·21	13·55	9·86
Hongkong	·40	·30	...	·21	·19	·60
Egypt	38·22	77·95	91·77	13·25	108·26	26·08
Natal	·26	5·14	7·30	8·44	2·33	·82
Mauritius and Dependencies ...	25·47	19·11	24·58	21·77	6·90	11·19
Zanzibar and Pemba	8·75	50·52	21·93	11·29	27·31	24·59
East African Protectorate ...	36·24	206·76	45·89	35·48	78·14	66·71
Seychelles	·69	1·73	·52	·07	1·32	1·27
Australia	...	...	·91	·47	...	·11
Other British Possessions ...	·07	·16	3·18	·48	·05	·03
Turkey, European, including Crete or Candia	...	...	...	...	3·00	·66
Turkey Asiatic Levant and Black Sea	...	...	...	...	·15	·16
Turkey Asiatic, Red Sea... ...	·11	37·82	23·08	2·33	16·25	4·30
" " , Persian Gulf ...	62·38	124·78	81·05	105·31	172·63	61·42
Muscat Territory and Trucial Oman	9·92	11·24	9·33	10·96	8·67	5·45
Other Native States in Arabia ...	2·14	27·21	5·49	1·94	3·36	2·82
Persia	51·63	179·27	147·04	64·75	54·24	26·92
Java	...	...	1·87	·07	...	·60
Siam	21·87	37·63	33·19	8·42	44·37	22·26
China exclusive of Hongkong and Macao	2·66	2·30	...	...	2·81	...
Japan	...	...	...	·47	·10	...
Portuguese East Africa... ...	56·07	79·76	33·94	49·50	38·86	32·07
Madagascar	·76	8·15	3·75	1·68	·31	·74
Re-union...	...	2·33	...	2·29	·91	·29
German East Africa	...	·98	1·85	6·00	12·18	28·42
Italian East Africa	22·39	44·80	13·44	2·59	6·44	13·02
French Somaliland	3·43	...	7·49	21·76	4·56	...
Other Foreign Countries ...	...	·01	·13	...	...	...
Total Grey Piece Goods ...	524·72	1550·78	742·75	512·54	724·74	473·16
Value in Lakhs of Rupees ...	72·91	250·65	167·58	178·31	284·24	216·13

Foreign Countries to which Indian Cotton Yarn has been exported from Bombay since 1915-16.

From Government Returns] [*Year ending 31st March*

To	In lakhs of lbs. (000's omitted).					
	1915-16.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.
United Kingdom	22·78	23·22	6·32	5·06	6·55	6·47
Malta and Gozo	·32	·56	...	·06	...	...
Cyprus	...	·16	·04	·10	·36	2·90
Aden and Dependencies ...	24·16	5·45	10·44	28·88	15·17	25·79
Bahrein Islands	1·08	2·60	·93	1·15	1·76	3·01
Ceylon	1·80	1·31	1·54	1·65	·78	1·82
Straits Settlements including Labuan	44·28	45·56	34·38	20·44	36·80	32·84
Hongkong	682·31	654·02	441·71	319·45	558·94	380·64
Egypt	56·04	70·24	72·18	47·33	70·53	33·81
Zanzibar and Pemba ...	·38	·55	·23	·42	·39	·58
East African Protectorate ...	·30	·14	·09	·17	·10	·17
New South Wales	·01	·10	·07	·08	...	·15
Other British Possessions ...	·08	·01	·20	·02	·06	...
Germany	...	...	...	...	·23	·25
France	...	...	...	...	·12	...
Italy	1·32	·10	·03	...	...	...
Greece	...	...	...	...	·99	·43
Turkey European including Crete or Candia	...	...	...	...	·38	1·29
Turkey Asiatic Levant and Black Sea ...	...	...	...	·57	26·51	10,79
" Red Sea ...	...	·29	·08	·26	1·33	·33
" Persian Gulf .	·77	1·53	5·43	6·49	20·84	15·32
Muscat Territory and Trucial Oman	2·45	2·72	1·75	1·26	·92	1·81
Other Native States in Arabia	1·04	11·92	2·63	1·63	·38	·53
Persia	25·77	54·82	24·19	11·29	31·91	26·77
Java	7·07	10·14	5·01	6·14	2·36	8·07
Siam	8·28	11·07	11·72	4·93	9·53	7·89
Philliphines	·14	·74	·22	·30	·50	·26
China exclusive of Hongkong and Macao	635·47	760·97	554·59	164·95	567·63	215·84
Japan	...	...	·43	1·02	12·16	...
Portuguese East Africa ...	...	·02	...	...	·01	·01
German East Africa ...	...	...	·04	·01	·01	·02
Italian East Africa ...	·81	·46	·23	·95	·17	·79
French Somaliland	·15	·04	·07	·83	·27	·28
Other Foreign Countries ...	·51	·01	·02	·08	...	·22
Total Yarns ...	1517·31	1658·75	1174·57	625·52	1367·69	779·08
Value in Lakhs of Rupees ...	656·68	777·65	723·26	707·66	1619·47	943·76

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Weekly Current Quotations as Estimated by the Committee o

QUOTATIONS.	Week ending 1st January.	Week ending 8th January.	Week ending 15th January.	Week ending 22nd January.	Week ending 29th January.	Week ending 5th February.	Week ending 12th February.	Week ending 19th February.	Week ending 26th February.	Week ending 5th March.	Week ending 12th March.	Week ending 19th March.
EXCHANGE.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.
On England Bank Bills, Telegraphic Transfer	1s. 5 1/8d.	1s. 6 3/32d.	1s. 5 1/2d.	1s. 5 1/2d.	1s. 5 1/8d.	1s. 4 3/4d.	1s. 4 1/4d.	1s. 4d.	1s. 3d.	1s. 3d.	1s. 3 1/[illegible]	1s. 3 1/4d.
" " sight	1s. 5 3/16d.	1s. 6 5/16d.	1s. 5 9/16d.	1s. 5 9/16d.	1s. 5 3/16d.	1s. 4 13/16d.	1s. 4 15/16d.	1s. 4 1/16d.	1s. 3 1/16d.	1s. 3 1/16d.	1s. 3 [illegible]/16d.	1s. 3 5/16d.
" " 3 Months' sight	1s. 5 7/16d.	1s. 6 9/16d.	1s. 5 13/16d.	1s. 5 13/16d.	1s. 5 7/16d.	1s. 5 1/16d.	1s. 4 9/16d.	1s. 4 1/4d.	1s. 3 1/4d.	1s. 3 5/16d.	1s. 3 7/16d.	1s. 3 9/16d.
First Class Credits 3 months' sight	1s. 6d.	1s. 7d.	1s. 6 3/8d.	1s. 6 3/8d.	1s. 6d.	1s. 5 3/4d.	1s. 5 1/8d.	1s. 4 3/4d.	1s. 3 3/4d.	1s. 3 5/8d.	1s. 3 3/4d.	1s. 4d.
" " 4 " "	1s. 6 5/16d.	1s. 7 3/16d.	1s. 6 9/16d.	1s. 6 13/16d.	1s. 6 3/16d.	1s. 5 13/16d.	1s. 5 5/16d.	1s. 4 15/16d.	1s. 3 15/16d.	1s. 3 15/16d.	1s. 3 7/8d.	1s. 4 1/8d.
" " 6 " "	1s. 6 1/2d.	1s. 7 7/16d.	1s. 6 13/16d.	1s. 7 3/16d.	1s. 6 7/16d.	1s. 6 3/16d.	1s. 5 9/16d.	1s. 5 3/16d.	1s. 4 3/16d.	1s. 4 1/8d.	1s. 4 1/8d.	1s. 4 3/8d.
Documents 3 " "	1s. 6 1/8d.	1s. 7 1/8d.	1s. 6 1/2d.	1s. 6 1/2d.	1s. 6 1/8d.	1s. 5 7/8d.	1s. 5 1/4d.	1s. 4 7/8d.	1s. 3 7/8d.	1s. 3 7/8d.	1s. 3 7/8d.	1s. 4 1/8d.
" 4 " "	1s. 6 5/16d.	1s. 7 5/16d.	1s. 6 11/16d.	1s. 7 1/16d.	1s. 6 5/16d.	1s. 6 1/16d.	1s. 5 7/16d.	1s. 5 1/16d.	1s. 4 1/16d.	1s. 4 1/16d.	1s. 4d.	1s. 4 1/4d.
" 6 " "	1s. 6 11/16d.	1s. 7 5/8d.	1s. 7d.	1s. 7 3/8d.	1s. 6 5/8d.	1s. 6 3/8d.	1s. 5 3/4d.	1s. 5 3/8d.	1s. 4 3/8d.	1s. 4 7/16d.	1s. 4 5/16d.	1s. 4 9/16d.
French Francs D/A "	441 Nominal.	370	462	430	410	395	386	370	365	357	368	365
" " " 3 months' "	456 "	383	477	445	425	410	395	385	373	372	375	389
On Calcutta Bank Telegraphic Transfer	100 "	100	100	100	100	100	100	100	100	100	109	100
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Mercantile Bills 30 days' sight per 100 Dollars	H. 214 8 0	202 0 0	195 0 0	192 8 0	187 0 0	179 0 0	162 0 0	175 8 0	166 0 0	175 0 0	171 0 0	174 0 0
" " 100 Taels	S. 208 8 0	270 0 0	257 0 0	253 8 0	249 0 0	237 0 0	232 0 0	234 0 0	245 0 0	225 8 0	225 0 0	223 0 0
" " 100 Yens	J. 177 8 0	196 0 0	164 0 0	163 0 0	166 0 0	168 0 0	172 0 0	175 0 0	182 0 0	183 8 0	186 0 0	181 0 0
English Bar Gold 100 touch (per tola)	28 7 0	26 14 0	27 2 0	27 6 0	28 10 0	27 9 0	27 12 0	27 15 0	29 10 0	29 12 0	30 1 0	30 1 0
Sovereigns	17 14 0	16 14 0	17 2 0	17 3 0	16 13 0	17 2 0	17 4 0	17 6 0	18 4 0	18 6 0	18 10 0	18 10 0
Bar Silver Ready	102 0 0	98 8 0	85 0 0	97 12 0	97 0 0	99 0 0	88 8 0	90 8 0	90 0 0	86 4 0	87 0 0	88 8 0
" Forward	98 0 0	87 8 0	96 0 0	94 0 0	94 0 0	90 12 0	88 8 0	88 12 0	86 0 0	83 0 0	85 0 0	85 10 0
RATES OF DISCOUNT.												
Bank Rate of Discount on Private Bills, 60 days' sight	8 per cent.	8 per cent.	8 per cent.	8 per cent.	8 per cent.	8 per cent.	8 per cent.	8 per cent.	8 per cent.	8 per cent.	8 per cent.	6 per cent.
Bank Rate of Interest on Demand Loans on Government Securities	7 "	7 "	7 "	7 "	7 "	7 "	7 "	7 "	7 "	7 "	7 "	6 "
Rate of Interest in the Open Market on Government Paper	6 "	6 "	6 "	6 "	6 "	4 "	6 "	6 "	6 "	6 "	6 "	5 "
Money Market	Firm.	Steady.	Steady.	Steady.	Easier.	Steady.	Easier.	Unchanged.	Unchanged.	Steady.	Steady.	Quiet.
GOVERNMENT SECURITIES.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Three-and-a-half per cent.	52 8 0	56 0 0	58 0 0	56 0 0	55 0 0	55 0 0	55 0 0	55 0 0	55 0 0	55 0 0	55 0 0	55 4 0
Three per cent.	41 0 0	48 0 0	48 0 0	46 0 0	45 0 0	45 0 0	45 0 0	45 0 0	45 0 0	45 0 0	45 0 0	45 0 0 Nom.
Means of Government Paper enfaced for London	Nil.	Nil.	Nil.	Nil.	Rs. 75,000	Nil.	Rs. 7,68,500	Nil.	Rs. 15,600	Nil.	Nil.	Nil.
Government Paper enfaced from London to Bombay	Nil.	Nil.	Nil.	Rs. 100	Nil.	Rs. 25,000	" 3,000	Nil.	Nil.	Nil.	Nil.	Nil.
IMPORTS.												
Piece-Goods Market	Dull.	Dull.	Dull.	Dull.	Dull.	Dull.	Dull.	Dull.	Dull.	Dull.	Quiet.	Quiet.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
7 lbs. 32 in. 37½ yds. Grey Shirtings (per piece)	12 8 0	12 8 0	12 8 0	12 8 0	12 0 0	12 0 0	11 4 0	11 4 0	11 4 0	10 12 0	10 12 0	10 12 0
8 lbs. 38 in. 37½ yds. 38 yds. do. (")	15 4 0	15 4 0	15 4 0	15 4 0	14 8 0	14 8 0	13 12 0	13 12 0	13 12 0	13 0 0	13 0 0	13 0 0
No. 40s. Water Twist (per lb.)	2 1 0	1 12 0	1 14 0	1 14 0	1 12 0	1 12 0	1 11 0	1 11 0	1 10 0	1 9 0	1 9 0	1 11 0
No. 50s. " ")	1 10 0	1 7 0	1 7 0	1 6 0	1 5 0	1 5 0	1 4 0	1 4 0	1 3 0	1 4 0	1 4 0	1 4 0
Copper Braziers (in bundles per cwt.)	85 0 0	84 0 0	85 0 0	84 0 0	82 0 0	84 0 0	83 0 0	83 0 0	84 0 0	85 0 0	85 0 0	85 0 0
Yellow Metal (" ")	84 0 0	85 0 0	83 8 0	83 0 0	81 0 0	82 0 0	82 0 0	81 0 0	81 0 0	80 0 0	80 0 0	85 0 0
Belgian No. 2, Bar Iron (per candy of 784½ lbs.)	90 0 0	90 0 0	90 0 0	90 0 0	90 0 0	90 0 0	85 0 0	85 0 0	84 0 0	80 0 0	85 0 0	80 0 0
Bar Steel (" ")	90 0 0	90 0 0	90 0 0	90 0 0	90 0 0	90 0 0	85 0 0	85 0 0	[illegible]	80 0 0	85 0 0	80 0 0
Swedish Bar Iron (" ")	------	------	------	------	------	------	------	------	------	------	------	------
	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.
Sugar, Ordinary Crystals, Best (per cwt. ex Godown)	------	------	------	------	------	------	------	------	------	------	------	------
" Mauritius, Ordinary Grains, D to J (per cwt. ex Godown)	29-4-0 to 29-[illegible]	34-4-0 to 34-8-0	36-4-0 to 36-8-0	35-8-0 to 36-[illegible]-0	36-12-0 to 37-0-0	36-4-0 to 36-8-0	36-4-0 to 36-8-0	36-4-0 to 36-8-0	35-8-0 to 35-12-0	41-4-0 to 41-8-0	40-8-0 to 40-12-0	41-8-0 to 41-12-0
" China, Best Soft, White (per cwt. ex Godown)	38 0 0	38 0 0	40 0 0	40 0 0	41 0 0	41 0 0	41 0 0	41 0 0 Nom.	42 0 0	43 0 0	43 0 0	43 0 0
" Java white Granulated T. M. O. quality (per cwt. ex. Godown)	29 0 0	34 0 0	36 0 0	35 0 0	36 4 0	36 0 0	35 12 0	36 4 0	3[illegible] 8 0	No stock. 41 4 0	40 8 0	41 8 0
" Japan (per cwt. ex. Godown)	29 0 0 (Nom. no stock)	34 0 0 No stock	------	------	No Stock.	36 0 0 (Nom. no Stock)	No Stock.	No Stock.	3[illegible] 8 0 No Stock.	41 4 0 Nom. No Stock.	No Stock.	No Stock.
Coal, Shaw's Best Steam (per ton)	------	------	------	------	------	------	------	------	------	------	------	------
" " Ordinary (")	------	------	------	------	------	------	------	------	------	------	------	------
" Lawrie's DeshergHur (")	------	------	------	------	------	------	------	------	------	------	------	------
" " Jeyrampdanga (")	------	------	------	------	------	------	------	------	------	------	------	------
" " Anthracite (")	------	------	------	------	------	------	------	------	------	------	------	------
" Natal (St. George's and Dundee) (")	------	------	------	------	------	------	------	------	------	------	------	------
" Davisons West Hartley (")	------	------	------	------	------	------	------	------	------	------	------	------
" Cardiff (")	------	------	------	------	------	------	------	------	------	------	------	------
" Deshergurh, Bengal (")	------	33-0-0 to 34-0-0 Ex. Bunder. Rdy.	33-0-0 to 35-0-0 Ex. Bunder. Rdy.	35-0-0 to 37-0-0 Rdy. Ex. Bunder.	------	------	------	------	------	------	------	------
" Muir's Navigation Bengal alongside (")	38 0 0 Rdy.	------	------	------	32-0-0 to 33-0-0 Rdy. Ex. Bunder.	32-0-0 to 33-0-0 Rdy. Ex. Bunder.	------	------	------	35 0 0 Rdy. Ex. Bunder.	------	------
" Jardine's Navigation Bengal (")	38 0 0	------	------	------	------	------	------	------	------	------	------	------
" Seebpore Bengal (")	------	------	------	------	------	------	------	------	------	------	------	------
" Bird's Navigation (")	38 0 0	------	------	------	------	------	------	------	------	------	------	------
" Singaran (")	------	------	------	------	------	------	------	------	------	------	------	------
" Bengal (")	------	------	------	------	------	------	30-0-0 to 32-0-0 Rdy. Ex. Bunder.	30-0-0 to 32-0-0 Rdy. Ex. Bunder.	31-0-0 to 32-0-0 Rdy. Ex. Bunder.	------	35 0 0 Rdy. Ex. Bunder.	35 0 0 Rdy. Ex. Bunder.
EXPORTS.												
Cotton Market		Steady firm Undertone.	Quiet.	Firm.	Steady.	Weak.	Weak.	Steady.	Weak.	Weak.		
Cotton (Full-pressed; per candy of 784 lbs.) H. G. Bengals (Railway Terms) Fine		------	------	------	------	------	------	------	------	------		
" " (") F.G.		------	------	------	------	------	------	------	------	------		
M. G. " (") Fine		------	------	------	------	------	------	------	------	------		
" " (") F.G.		Rs. a. p. 207 0 0 March	Rs. a. p. 216 0 0 March	Rs. Rs. 218 to 219 March.	Rs. Rs. 211 to 212 March.	Rs. Rs. 199 204 March. May.	Rs. Rs. 199 206 March. May.	Rs. Rs. 208 215 March. May.	Rs. Rs. 195 202 March. May.	Rs. Rs. 173 185 March. May.		
" Sind-Punjab (") Fine		------	------	------	------	------	------	------	------	------		
" " (") F.G.		------	------	------	------	------	------	------	------	------		
" Khandeish Fine		------	------	------	------	------	------	------	------	------		
" " F.G.		------	------	------	------	------	------	------	------	------		

...e of the Bombay Chamber of Commerce during the year 1921.

...ing ...th.	Week ending 30th March.	Week ending 2nd April.	Week ending 9th April.	Week ending 16th April.	Week ending 23rd April.	Week ending 30th April.	Week ending 7th May.	Week ending 14th May.	Week ending 21st May.	Week ending 28th May.	Week ending 4th June.	Week ending 11th June.	Week ending 18th June.	Week ending 25th June.
	Steady.	Steady.	Steady.	Steady.	Steady.	Steady.	Steady.	Steady.	Steady.	Steady.	Steady.	Steady.	Steady.	Steady.
	1s. 3 1/32d.	1s. 3 1/32d.	1s. 3 9/32d.	1s. 3 5/16d.	1s. 3 5/16d.	1s. 3 5/16d.	1s. 3 9/32d.	1s. 3 9/32d.	1s. 3 17/32d.	1s. 3 9/16d.	1s. 3 9/16d.	1s. 3 9/16d.	1s. 3 9/16d.	1s. 3 9/16d.
	1s. 3 9/16d.	1s. 3 9/16d.	1s. 3 9/16d.	1s. 3 11/16d.	1s. 3 11/16d.	1s. 3 11/16d.	1s. 3 19/32d.	1s. 3 19/32d.	1s. 3 21/32d.	1s. 3 19/32d.	1s. 3 19/32d.	1s. 3 19/32d.	1s. 3 19/32d.	1s. 3 19/32d.
	1s. 3 7/16d.	1s. 3 3/8d.	1s. 3 13/32d.	1s. 3 7/16d.	1s. 3 7/16d.	1s. 3 3/8d.	1s. 3 3/8d.	1s. 3 3/8d.	1s. 3 7/16d.	1s. 3 3/8d.	1s. 3 3/8d.	1s. 3 3/8d.	1s. 3 3/8d.	1s. 3 3/8d.
	1s. 3 7/16d.	1s. 3 3/8d.	1s. 3 7/16d.	1s. 3 7/16d.	1s. 3 7/16d.	1s. 3 7/16d.	1s. 3 7/16d.	1s. 3 7/16d.	1s. 3 7/16d.	1s. 3 7/16d.	1s. 3 7/16d.	1s. 3 7/16d.	1s. 3 7/16d.	1s. 3 7/16d.
	1s. 4 1/32d.	1s. 3 9/32d.	1s. 4 1/32d.	1s. 4 1/32d.	1s. 4 1/32d.	1s. 4 1/32d.	1s. 3 31/32d.	1s. 3 31/32d.	1s. 3 31/32d.	1s. 3 31/32d.	1s. 3 31/32d.	1s. 3 31/32d.	1s. 3 31/32d.	1s. 3 31/32d.
	1s. 4 1/32d.	1s. 4 3/8d.	1s. 4 1/16d.	1s. 4 3/16d.	1s. 4 3/16d.	1s. 4 3/16d.	1s. 4 3/16d.	1s. 4 3/16d.	1s. 4 3/16d.	1s. 4 3/16d.	1s. 4 3/16d.	1s. 4 3/16d.	1s. 4 3/16d.	1s. 4 3/16d.
	1s. 4 1/32d.	1s. 4 3/8d.	1s. 4 1/32d.	1s. 4 1/32d.	1s. 4 1/32d.	1s. 4 1/32d.	1s. 4 1/32d.	1s. 4 1/32d.	1s. 4 1/32d.	1s. 4 1/32d.	1s. 4 1/32d.	1s. 4 1/32d.	1s. 4 1/32d.	1s. 4 1/32d.
	1s. 4 1/32d.	1s. 4 3/8d.	1s. 4 1/16d.	1s. 4 3/16d.	1s. 4 3/16d.	1s. 4 3/16d.	1s. 4 3/16d.	1s. 4 3/16d.	1s. 4 3/16d.	1s. 4 3/16d.	1s. 4 3/16d.	1s. 4 3/16d.	1s. 4 3/16d.	1s. 4 3/16d.
	1s. 4 1/32d.	1s. 4 3/8d.	1s. 4 5/64d.	1s. 4 17/64d.	1s. 4 1/32d.	1s. 4 1/32d.	1s. 4 1/32d.	1s. 4 1/32d.	1s. 4 1/32d.	1s. 4 1/32d.	1s. 4 1/32d.	1s. 4 1/32d.	1s. 4 1/32d.	1s. 4 1/32d.
	275	275	270	275	280	280	280	280	280	280	280	280	280	280
	290	290	290	290	290	290	290	290	290	290	290	290	290	290
	100	100	100	100	100	100	100	100	100	100	100	100	100	100
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
	129 0 0	127 8 0	131 0 0	130 0 0	130 0 0	130 0 0	130 0 0	130 0 0	130 0 0	130 0 0	130 0 0	130 0 0	130 0 0	130 0 0
	250 0 0	250 0 0	252 0 0	252 0 0	252 0 0	252 0 0	252 0 0	248 0 0	248 0 0	248 0 0	248 0 0	248 0 0	248 0 0	248 0 0
	178 0 0	178 0 0	180 0 0	181 0 0	182 0 0	182 0 0	182 0 0	181 0 0	182 0 0	182 0 0	182 0 0	182 0 0	182 0 0	182 0 0
	29 10 0	29 10 0	29 10 0	29 0 0	29 0 0	29 0 0	29 0 0	29 0 0	29 0 0	29 0 0	29 0 0	30 0 0	30 0 0	30 0 0
	18 12 0	18 12 0	18 7 0	18 7 0	18 0 0	18 6 0	18 6 0	18 2 0	18 2 0	18 12 0	18 12 0	18 15 0	19 3 0	19 3 0
	87 4 0	87 4 0	87 8 0	89 2 0	89 0 0	90 0 0	90 0 0	90 0 0	90 0 0	90 0 0	90 0 0	91 0 0	91 15 0	91 15 0
	86 12 0	86 12 0	87 14 0	89 15 0	89 10 0	90 12 0	90 0 0	90 0 0	90 0 0	90 0 0	90 0 0	91 0 0	92 15 0	92 15 0
	7 per cent.	7 per cent.	7 per cent.	7 per cent.	7 per cent.	7 per cent.	6 per cent.	6 per cent.	6 per cent.	6 per cent.	6 per cent.	6 per cent.	6 per cent.	6 per cent.
	6 —	6 —	6 —	6 —	6 —	6 —	6 —	6 —	6 —	6 —	6 —	6 —	6 —	6 —
	4 Unchanged.	4 Unchanged.	4 Unchanged.	4 Quiet.	4 Easy.	4 Easy.	4 Easy.	4 Easy.	3 Easy.	3 Easy.	3 Easy.	3 Easy.	3 Easy.	3 Easy.
Nom.	Rs. a. p. 50 4 0	Rs. a. p. 55 0 0	Rs. a. p. 57 0 0	Rs. a. p. 57 0 0	Rs. a. p. 50 0 0	Rs. a. p. 57 0 0	Rs. a. p. 57 0 0	Rs. a. p. 57 0 0	Rs. a. p. 62 8 0	Rs. a. p. 50 0 0	Rs. a. p. 55 0 0	Rs. a. p. 60 0 0	Rs. a. p. 55 0 0	Rs. a. p. 50 0 0
	45 0 0 Nom.	45 0 0 Nom.	50 0 0 Nom.	50 0 0 Nom.	50 0 0 Nom.	50 0 0 Nom.	50 0 0 Nom.	50 0 0 Nom.	55 0 0 Nom.	50 0 0 Nom.	50 0 0 Nom.	55 0 0 Nom.	50 0 0 Nom.	50 0 0 Nom.
	Rs. 1,00,000	Rs. 8,58,500	Rs. 4,000	Rs. 4,000	Rs. 8,000	Rs. 4,000	Rs. 4,000	Rs. 4,000	Rs. 4,000	Rs. 4,000	Rs. 4,000	Rs. 600	Rs. 1,500	Rs. 4,000
	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.
	Quiet.	Quiet.	Steady.	Steady.	Steady.	Steady.	Quiet.	Quiet.	Quiet but Steady.	Quiet.	Firm.	Steady.	Steady.	Steady.
	Rs. a. p. 10 12 0	Rs. a. p. 10 12 0	Rs. a. p. 10 12 0	Rs. a. p. 11 0 0	Rs. a. p. 11 0 0	Rs. a. p. 11 0 0	Rs. a. p. 11 0 0	Rs. a. p. 11 0 0	Rs. a. p. 11 0 0	Rs. a. p. 11 0 0	Rs. a. p. 12 4 0	Rs. a. p. 12 4 0	Rs. a. p. 12 4 0	Rs. a. p. 12 4 0
	12 0 0	12 0 0	12 0 0	12 0 0	12 0 0	12 0 0	12 0 0	12 0 0	12 0 0	12 0 0	12 0 0	12 0 0	12 0 0	12 0 0
	1 11 0	1 11 0	1 12 0	1 10 0	1 14 0	1 14 0	1 15 0	1 11 0	2 0 0	2 0 0	1 14 0	1 14 0	1 14 0	1 14 0
	1 2 0	1 2 0	1 2 0	1 0 0	1 0 0	1 0 0	1 0 0	1 0 0	1 0 0	1 0 0	1 0 0	1 0 0	1 0 0	1 0 0
	86 0 0	86 0 0	86 0 0	86 0 0	86 0 0	86 0 0	86 0 0	86 0 0	86 0 0	86 0 0	85 0 0	85 0 0	85 0 0	85 0 0
	85 0 0	85 0 0	85 0 0	85 0 0	85 0 0	85 0 0	85 0 0	85 0 0	85 0 0	85 0 0	86 0 0	86 0 0	86 0 0	86 0 0
	86 0 0	86 0 0	86 0 0	86 0 0	86 0 0	86 0 0	86 0 0	86 0 0	86 0 0	86 0 0	86 0 0	86 0 0	86 0 0	86 0 0
Rsnp.	Rsnp. Rsnp.	Rsnp. Rsnp.	Rsnp. Rsnp.	Rsnp. Rsnp.	Rsnp. Rsnp.	Rsnp. Rsnp.	Rsnp. Rsnp.	Rsnp. Rsnp.	Rsnp. Rsnp.	Rsnp. Rsnp.	Rsnp. Rsnp.	Rsnp. Rsnp.	Rsnp. Rsnp.	Rsnp. Rsnp.
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	60 0 0	60 0 0	60 0 0	60 0 0	20 12 0	20 12 0	20 12 0	20 12 0	20 8 0	20 8 0	21 4 0	22 0 0	21 0 0	21 0 0
41-12-0	41-0-0 to 41-12-0	41-0-0 to 41-4-0	40-0-0 to 40-8-0	40-0-0 to 40-8-0	40-0-0 to 40-8-0	40-0-0 to 40-8-0	40-0-0 to 40-8-0	40-0-0 to 40-8-0	20-0-0 to 20-12-0	20-0-0 to 20-12-0	20-0-0 to 20-12-0	21-12-0 to 22-0-0	20-0-0 to 20-12-0	20-0-0 to 20-12-0
	41 0 0	41 0 0	40 0 0	40 0 0	20 0 0	20 0 0	20 0 0	20 0 0	20 0 0	20 0 0	20 0 0	22 0 0	21 0 0	21 0 0
	— —	— —	— —	40 4 0 Nom.	— —	— —	— —	20 12 0 Nom.	20 8 0 Nom.	20 8 0 Nom.	21 4 0 Nom.	22 0 0 Nom.	21 0 0 Nom.	21 0 0 Nom.
...ch.	No Stock.	No Stock.	No Stock.	No Stock.	No Stock.	No Stock.	No Stock.	No Stock.	No Stock.	No Stock.	No Stock.	No Stock.	No Stock.	No Stock.
	— —	— —	— —	— —	— —	— —	— —	— —	— —	— —	— —	— —	— —	— —
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	— —	— —	— —	— —	— —	47 0 0 Forward	47 0 0 Forward	— —	— —	— —	48 0 0 Forward	— —	— —	— —
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	— —	— —	— —	— —	— —	— —	— —	— —	— —	— —	— —	— —	— —	— —
...Rdy. ...ndar.	38-0-0 to 37-0-0 Rdy. Ex. Bombay.	36-0-0 to 38-0-0 Rdy. Ex. Bombay.	39-0-0 to 40-0-0 Rdy. Ex. Bombay.	41-0-0 to 42-0-0 Rdy. Ex. Bombay.	43-0- to 44-0-0 Rdy. Ex. Bombay.	42-0-0 to 43-0-0 Rdy. Ex. Bombay.	42-0-0 to 43-0-0 Rdy. Ex. Bombay.	42-0-0 to 43-0-0 Rdy. Ex. Bombay.	43-0-0 to 47-0-0 Rdy. Ex. Bombay.	40-0-0 to 42-0-0 Rdy. Ex. Depot.	42-0-0 to 44-0-0 Rdy. Ex. Bombay.	Rs.40 0 0 Rdy. Ex. Bombay.	Rs.40 0 0 Rdy. Ex. Bombay.	39-0-0 to 40-0-0 Rdy. Ex. Bombay.
	Market closed. Stocks for settlements on business specified below the following Dates.	Quiet but Steady	Weak.	Steady.	Firm.	Firm.	Steady.	Weak.	Steady.	Quiet but Steady.	Steady.	Steady.	Quiet.	
	— —	— —	— —	— —	— —	— —	— —	— —	— —	— —	— —	— —	— —	
	Rs. Rs. 173 169 March. May.	Rs. Rs. 200 215 May. July.	Rs. Rs. 192 202 May. July.	Rs. Rs. 197 209 May. July.	Rs. Rs. 219 232 May. July.	Rs. Rs. 223 228 May. July.	Rs. Rs. 232 236 May. July.	Rs. Rs. 216 224 May. July.	Rs. Rs. 230 0 0 July.	Rs. a. p. 247 8 0 July.	Rs. a. p. 250 0 0 July.	Rs. a. p. 251 0 0 July.	Rs. Rs. 241 242 July. Sept.	

„ Dharwar—Sawginned ... F.G.	Market closed	—	—	—	—	—	—	—	—	—	Market closed	Market closed	
„ Nagpore and Kamptee ... Fine		—	—	—	—	—	—	—	—	—			
„ „ F.G.		—	—	—	—	—	—	—	—	—			
„ Oomrawattee (Descriptions) ... Fine		—	—	—	—	—	—	—	—	—			
„ „ („) ... F.G.		—	—	—	—	—	—	—	—	—			
„ Akola, Khamgaon, Karanja (Fair Staple) ... Fine		—	—	—	—	—	—	—	—	—			
„ „ „ ... F.G.		—	—	—	—	—	—	—	—	—			
„ Oomra ... Fine		264/5 March (Fair staple.)	272 0 0 (Fair Staple.) March	266 to 267 (Fair staple) March	256 to 257 March 267/8 May (Fair staple)	237 March 243 May. Fair staple.	236 237 March. May. Fair staple.	251 261 March. May Fair staple.	232 0 0 246 March, May Fair staple.	208 220 March. May. Fair staple.			204 March Fa
„ Broach ... F.G.		—	—	—	—	—	—	—	—	—			
„ „ ... Fine		—	—	—	—	—	—	—	—	—			
„ „ ... F.G.		220 0 0 Apr-May.	235 8 0 April-May.	239 to 240 April-May.	221 to 222 April-May.	202 0 0 April-May.	201 0 0 April-May.	211 8 0 April-May.	2?5 0 0 April-May.	265 0 0 April-May.			233 Apr
„ „ ... Good		—	—	—	—	—	—	—	—	—			
„ Mottia ... Fine		—	—	—	—	—	—	—	—	—			
„ „ ... F.G.		—	—	—	—	—	—	—	—	—			
Saw-Ginned Dharwar ... Good		—	—	—	—	—	—	—	—	—			
M. G. Southern ... Good		—	—	—	—	—	—	—	—	—			
M. G. Westerns ... Good		—	—	—	—	—	—	—	—	—			275 Ma
M. G. Comptas ... Good		—	—	—	—	—	—	—	—	—			
	Rs. as. p.	Rs. as. p.	Rs. as. p.	Rs. as. p.	Rs. as. p.	Rs. as. p.	Rs. as. p.	Rs. as. p.	Rs. as. p.	Rs. as. p.	Rs. as. p.	Rs. as. p.	Rs. a
Castor seed ... (per cwt.)	5 0 0 Rdy.	4 14 0 Rdy.	4 12 0 Rdy.	4 14 0 Rdy.	5 2 0 Rdy.	4 13 0 Rdy.	5 1 0 Rdy.	5 4 0 Rdy.	5 2 0 Rdy.	5 3 0 Rdy.	5 2 0 Rdy.	5 8 0 Rdy.	5
Gingelly seed (White Bold) („)	15 8 0 „	15 8 0 „	15 8 0 „	15 4 0 „	15 4 0 „	14 12 0 „	14 8 0 „	14 8 0 „	14 8 0 „	14 6 0 „	14 6 0 „	—	
„ Mixed, 50 per cent. („)	—	—	—	—	—	—	—	—	—	—	13 12 0 „	—	
Linseed, Bold („)	13 12 0 „	13 12 0 „	14 8 0 „	13 12 0 „	13 6 0 „	12 12 0 „	13 4 0 „	13 8 0 „	13 12 0 „	13 12 0 „	13 4 0 „	13 4 0 „	13 4
„ Small Seed („)	—	13 0 0 „	13 8 0 „	12 8 0 „	11 12 0 „	11 2 0 „	11 12 0 „	—	12 2 0 „	12 0 0 „	—	12 0 0 „	12 0
Rape seed, Guzerat, Yellow („)	15 0 0 „	14 8 0 „	14 8 0 „	13 12 0 „	13 4 0 „	13 0 0 „	13 0 0 „	12 8 0 „	—	13 4 0 „	11 12 0 „	—	
„ Brown Delhi („)	—	—	—	—	—	—	—	—	—	—	—	—	
„ „ Cawnpore („)	12 8 0 „	12 8 0 „	12 0 0 „	11 8 0 „	10 12 0 „	10 8 0 „	10 8 0 „	10 0 0 „	—	9 4 0 „	9 8 0 „	—	
„ Yellow („)	14 0 0 „	13 8 0 „	13 8 0 „	12 12 0 „	12 4 0 „	12 0 0 „	12 0 0 „	11 12 0 „	—	11 8 0 „	—	—	
Poppy seed („)	15 8 0 „	15 0 0 „	15 0 0 „	15 0 0 „	14 8 0 „	14 0 0 „	14 0 0 „	14 0 0 „	13 12 0 „	—	—	—	
Groundnuts („)	12 8 0 „	12 12 0 „	12 8 0 „	13 4 0 „	12 0 0 „	12 0 0 „	12 0 0 „	12 0 0 „	11 0 0 „	11 0 0 „	11 12 0 „	—	
Mowra seed („)	8 12 0 „	8 12 0 „	8 12 0 „	8 10 0 „	8 4 0 „	8 0 0 „	7 12 0 „	—	—	—	—	—	
Castorseed, Ordinary Quality, F. A. („)	9 10 0 „	9 14 0 „	10 0 0 „	9 8 0 „	9 10 0 „	9 8 0 „	9 5 0 „	9 10 0 „	9 4 0 „	—	9 6 0 „	9 4 0 „	
Wheat, White Pissy, 70 per cent. („)	—	—	—	—	—	—	8 13 0 „	8 14 0 „	8 14 0 „	8 13 0 „	8 13 0 „	—	
„ Jubbulpore Pissy („)	9 8 0 „	9 6 0 „	9 8 0 „	9 8 0 „	9 5 0 „	8 14 0 „	—	8 14 0 „	8 13 0 „	—	—	—	
„ Ahmedabad & St Red („)	—	—	—	—	—	—	—	—	—	—	8 10 0 „	—	
„ Hard Yellow, 65 per cent. („)	—	—	—	—	—	—	—	—	—	—	—	—	
„ Delhi No. 1 White Pissy („)	9 1 0 „	9 12 0 „ April, May.	9 2 0 „	9 2 0 „	9 0 0 „	8 13 0 „	8 14 0 „	8 14 0 „	8 14 0 „	8 13 0 „	9 1 0 „	—	
„ „ Red („)	—	—	—	—	—	—	—	—	—	—	—	—	
„ Hard Red Khotha („)	—	—	—	—	—	—	—	—	—	—	—	—	
„ Nagpore Khatti („)	—	—	—	—	—	—	—	—	—	—	—	—	
FREIGHTS													
Market—	—	—	—	—	—	—	—	—	—	—	—	—	
London—Measurement Cargo (per ton of 40 ft.) (P. & O. Co., via Suez Canal)	—	—	—	—	—	—	—	—	—	—	—	—	
„ Seeds and Wheat P. & O. Co., via Suez Canal	—	—	—	—	—	—	—	—	—	—	—	—	
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
„ Light Seeds ... via Suez Canal	30 0 Jan.-Feb.	20 0 Jan.-Feb.	20 0 Jan.-Feb.	20 0 Jan.-Feb.	25 0 Jan.-Feb.	20 0 Feb.	20 0 Feb.-Mar.	20 0 Feb.-Mar.	20 0 Feb.-Mar.	25 0 Mar.-Apr.	25 0 March	15 0 March	17
„ Seeds	35 0 „	25 0 „	25 0 „	25 0 „	30 0 „	25 0 „	25 0 „	25 0 „	22 6 „	30 0 „	30 0 „	20 0 „	
„ Measurement Cargo ...	40 0 „	30 0 „	30 0 „	30 0 „	30 0 „	30 0 „	30 0 „	30 0 „	27 6 „	30 0 „	30 0 „	25 0 „	
„ Wheat ...	45 0 „	35 0 „	35 0 „	35 0 „	40 0 „	—	35 0 „	35 0 „	32 6 „	40 0 „	40 0 „	30 0 „	
Antwerp—Light Seeds	25 0 „	20 0 „	20 0 „	20 0 „	20 0 „	22 6 Feb.	22 6 „	22 6 „	20 0 „	20 0 „	20 0 „	15 0 „	
„ Seeds	30 0 „	25 0 „	25 0 „	25 0 „	25 0 „	27 6 „	25 0 „	27 6 „	25 0 „	25 0 „	25 0 „	20 0 „	
„ Measurement Cargo	30 0 „	25 0 „	25 0 „	25 0 „	25 0 „	27 6 „	25 0 „	27 6 „	25 0 „	25 0 „	25 0 „	20 0 „	
„ Wheat	40 0 „	35 0 „	35 0 „	35 0 „	35 0 „	—	35 0 „	37 6 „	35 0 „	35 0 „	35 0 „	30 0 „	
Dunkirk—Light Seeds	35 0 „	30 0 „	30 0 „	30 0 „	25 0 „	30 0 Feb.-Mar.	22 6 „	22 6 „	20 0 „	17 6 „	17 6 „	15 0 „	
„ Seeds	40 0 „	35 0 „	35 0 „	35 0 „	30 0 „	35 0 „	27 6 „	27 6 „	25 0 „	22 6 „	22 6 „	20 0 „	
„ Measurement Cargo	45 0 „	35 0 „	40 0 „	35 0 „	30 0 „	35 0 „	27 6 „	32 6 „	30 0 „	27 6 „	27 6 „	25 0 „	
„ Wheat	50 0 „	45 0 „	45 0 „	45 0 „	40 0 „	—	37 6 „	37 6 „	35 0 „	32 6 „	32 6 „	30 0 „	
Havre—Seeds	60 0 „	40 0 „	60 0 „	60 0 „	55 0 „	60 0 Feb.-Mar.	52 6 „	47 6 „	45 0 „	42 6 „	42 6 „	40 0 „	
„ Measurement Cargo	65 0 „	60 0 „	65 0 „	60 0 „	55 0 „	60 0 „	52 6 „	52 6 „	50 0 „	47 6 „	47 6 „	45 0 „	
Hamburg—Seeds	45 0 „	35 0 „	30 0 „	30 0 „	30 0 „	30 0 Feb.	30 0 „	30 0 „	27 6 „	30 0 „	30 0 „	22 6 April	
„ Measurement Cargo	45 0 „	35 0 „	30 0 „	30 0 „	30 0 „	30 0 „	30 0 „	30 0 „	27 6 „	30 0 „	30 0 „	22 6 „	
Genoa—Seeds	40 0 „	30 0 „	35 0 „	35 0 „	30 0 „	30 0 „	25 0 „	30 0 „	35 0 „	35 0 „	35 0 „	25 0 March	
„ Measurement Cargo	45 0 „	35 0 „	40 0 „	30 0 „	30 0 „	25 0 „	30 0 „	30 0 „	30 0 „	30 0 „	30 0 „	30 0 „	
Marseilles—Light Seeds	30 0 „	25 0 „	30 0 „	20 0 „	15 0 „	15 0 „	15 0 „	20 0 „	17 6 „	20 0 „	20 0 „	20 0 „	
„ Seeds	35 0 „	30 0 „	35 0 „	25 0 „	20 0 „	20 0 „	20 0 „	25 0 „	20 0 „	22 6 „	22 6 „	22 6 „	
„ Measurement Cargo	40 0 „	35 0 „	40 0 „	25 0 „	25 0 „	25 0 „	25 0 „	25 0 „	22 6 „	25 0 „	25 0 „	25 0 „	
„ Wheat	45 0 „	40 0 „	45 0 „	35 0 „	30 0 „	—	30 0 „	35 0 „	30 0 „	32 6 „	32 6 „	32 6 „	
Liverpool—Light Seeds	25 0 „	20 0 „	20 0 „	15 0 „	15 0 „	15 0 Feb.	15 0 „	20 0 „	17 6 „	20 0 „	20 0 „	17 6 „	
„ Seeds	30 0 „	25 0 „	25 0 „	20 0 „	20 0 „	20 0 „	20 0 „	25 0 „	20 0 „	22 6 „	22 6 „	22 6 „	
„ Measurement Cargo	35 0 „	30 0 „	30 0 „	25 0 „	20 0 „	20 0 „	25 0 „	25 0 „	22 6 „	25 0 „	25 0 „	22 6 „	
„ Wheat	40 0 „	35 0 „	35 0 „	30 0 „	30 0 „	—	30 0 „	35 0 „	30 0 „	32 6 „	32 6 „	32 6 „	
Hull—Light Seeds	30 0 „	25 0 „	30 0 „	30 0 „	25 0 „	30 0 Feb.-March	22 6 „	20 0 „	20 0 „	17 6 „	17 6 „	15 0 April	
„ Seeds	35 0 „	30 0 „	35 0 „	35 0 „	32 6 „	35 0 „	27 6 „	25 0 „	25 0 „	22 6 „	22 6 „	20 0 „	
„ Measurement Cargo	40 0 „	35 0 „	40 0 „	35 0 „	32 6 „	35 0 „	27 6 „	30 0 „	30 0 „	27 6 „	27 6 „	25 0 „	
„ Wheat	45 0 „	40 0 „	45 0 „	45 0 „	42 6 „	—	37 6 „	35 0 „	32 0 „	32 6 „	32 6 „	30 0 „	
Trieste and Venice—Seeds	40 0 „	40 0 „	40 0 „	35 0 „	35 0 „	35 0 February.	40 0 „	35 0 „	30 0 „	30 0 „	25 0 „	22 6 March	
„ Measurement Cargo	45 0 „	45 0 „	45 0 „	40 0 „	40 0 „	40 0 „	45 0 „	40 0 „	35 0 „	35 0 „	30 0 „	27 6 „	
New York—Light Seeds	40 0 „	40 0 „	30 0 „	30 0 „	30 0 „	35 0 „	40 0 „	25 0 „	35 0 „	25 0 „	17 6 „	17 6 „	
„ Measurement Cargo	30 0 „	30 0 „	40 0 „	40 0 „	40 0 „	40 0 „	30 0 „	35 0 „ nom.	35 0 „	35 0 „	27 6 „	27 6 „	
„ Hides and Skins	65 0 „	65 0 „	75 0 „	75 0 „	75 0 „	—	65 0 „	65 0 „	65 0 „	55 0 „	57 6 „	37 6 „	
China Steamer (P. & O.)	Rs. 40 to 45	Rs. 40 to 45	Rs. 40 to 45	Rs. 40 to 45	Rs. 40 to 45	Rs. 40 to 45	Rs. 40 to 45	Rs. 40 to 45	Rs. 40 to 45	Rs. 40 to 45	Rs. 40 to 45	Rs. 40 to 45	Rs. 40
Japan „ („)	—	—	—	—	—	—	—	—	—	—	—	—	
Australia „ („)	—	—	—	—	—	—	—	—	—	—	—	—	

H = HONGKONG. S = SHANGHAI.

204 217 March. May. Fair staple.	226 240 May. July. Fair staple.	217 230 May. July. Fair staple.	225 241 May. July. Fair staple.	244 259 May. July. Fair staple.	252 270 May. July. Fair staple.	263 280 May. July. Fair staple.	Market closed	255 May 267 July	264 0 0 July.	298 July 313 Sept.	298 312 July. Sept. Fair Staple.	307 324 July. Sept. Fair Staple.	301 317 July. Sept. Fair Staple.
255 0 0 April-May.	255 269 April- July- May. August.	240 260 April- July- May. August	248 273 April- July- May. August.	274 290 April- July- May. August.	290 313 April- July- May. August.	302 327 April- July- May. August.		290 312 May. July- August.	327 0 0 July-August.	345 0 0 July-August.	344 8 0 July-August.	348 0 0 July-August.	335 0 0 July-August.
275 0 0 May-June.													
Rs. as. p. 5 8 0 Rdy.	Rs. as. p. 3 10 0 Rdy. 14 12 0 "	Rs. as. p. 5 8 0 Rdy. 14 12 0 "	Rs. as. p. 5 8 0 Rdy. 16 0 0 " 14 0 0 "	Rs. as. p. 3 14 0 Rdy. 16 8 0 "	Rs. as. p. 6 1 0 Rdy. 17 0 0 "	Rs. as. p. 6 4 0 Rdy. 17 4 0 "	Rs. as. p. 6 2 0 Rdy. 17 8 0 "	Rs. as. p. 6 0 0 Rdy.	Rs. as. p. 6 0 0 Rdy. 17 0 0 "	Rs. as. p. 6 0 0 Rdy.	Rs. as. p. 6 0 0 Rdy.	Rs. as. p. 5 14 0 Rdy.	Rs. as. p. 6 2 0 Rdy.
13 4 0 " 13 0 0 "	12 2 0 " 11 8 0 " 11 8 0 "	12 0 0 " 11 0 0 " 11 8 0 "	13 0 0 " 10 10 0 " 11 12 0 "	12 12 0 " 11 8 0 " 12 4 0 "	14 4 0 " 12 2 0 " 13 0 0 "	14 6 0 " 12 0 0 " 13 0 0 "	14 0 0 " 11 12 0 " 13 0 0 "	14 12 0 " 12 8 0 " 14 8 0 "	14 8 0 " 12 8 0 " 14 8 0 "	16 6 0 " 13 2 0 " 14 0 0 "	15 4 0 " 14 8 0 " 14 0 0 "	15 0 0 " 14 0 0 " 14 0 0 "	15 4 0 " 14 0 0 " 14 8 0 "
	9 12 0 " 11 0 0 " 12 12 0 " 11 0 0 " 7 8 0 " 9 0 0 "	9 12 0 " 11 0 0 " 12 12 0 " 11 8 0 " 7 8 0 " 8 8 0 "	10 2 0 " 11 4 0 " 12 12 0 " 11 8 0 " 7 8 0 " 8 6 0 "	10 8 0 " 11 12 0 " 12 8 0 " 13 0 0 " 7 8 0 " 8 8 0 "	11 8 0 " 12 8 0 " 14 4 0 " 14 4 0 " 7 8 0 " 8 14 0 "	11 8 0 " 12 8 0 " 14 8 0 " 14 0 0 " 7 8 0 " 9 6 0 "	11 4 0 " 12 8 0 " 14 8 0 " 14 0 0 " 7 8 0 " 9 14 0 "	12 0 0 " 13 8 0 " 15 4 0 " 14 0 0 " 7 8 0 " 10 0 0 "	12 0 0 " 13 8 0 " 15 0 0 " 14 0 0 " 7 8 0 " 9 12 0 "	11 12 0 " 13 4 0 " 15 4 0 " 14 0 0 " 7 8 0 " 9 12 0 "	12 0 0 " 13 4 0 " 15 4 0 " 14 0 0 " 7 8 0 " 10 8 0 "	12 0 0 " 12 4 0 " 15 8 0 " 14 0 0 " 7 8 0 " 10 0 0 "	13 0 0 " 13 12 0 " 16 4 0 " 14 0 0 " 8 0 0 " 10 2 0 "
	9 2 0 "	9 4 0 "	8 6 0 "	10 0 0 "	10 4 0 "	10 0 0 "	10 2 0 "	10 4 0 "	10 4 0 "	10 4 0 "	10 8 0 "	10.10 0 "	10 13 0 "
	9 2 0 "	9 4 3 "	9 6 0 "	10 0 0 "	10 3 0 "	9 12 0 "	9 14 0 "	10 0 0 "	10 2 0 "	9 15 6 "	10 2 0 "	10 2 0 "	10 12 0 "
						¼ —							
								Market very quiet.	Market steady.	Market steady enquiry poor.	Market quiet no business doing.	Market steady.	Market steady little enquiry.
s. d. 17 6 April 22 6 " 25 0 " 22 6 " 17 6 " 22 6 " 22 6 " 32 6 "	s. d. 17 6 April 22 6 " 25 0 " 32 6 " 15 0 " 20 0 " 20 0 " 30 0 "	s. d. 15 0 April 20 0 " 22 6 " 30 0 " 15 0 " 20 0 " 20 0 " 30 0 "	s. d. 17 6 April 22 6 " 25 0 " 32 6 " 15 0 " 20 0 " 20 0 " 30 0 "	s. d. 15 0 May 20 0 " 22 6 " 30 0 " 15 0 April 20 0 " 20 0 " 30 0 "	s. d. 15 0 May 20 0 " 22 6 " 30 0 " 15 0 " 20 0 " 20 0 " 30 0 "	s. d. 15 0 May 20 0 " 22 6 " 30 0 " 15 0 " 20 0 " 20 0 " 30 0 "	s. d. 15 0 May 20 0 " 22 6 " 15 0 May 20 0 " 20 0 "	s. d. 15 0 May-June 20 0 " 22 6 " 15 0 May-June 20 0 " 20 0 "	s. d. 16 3 June 21 3 " 25 0 " 32 3 " 15 0 " 20 0 " 20 0 " 30 0 "	s. d. 16 3 June 21 3 " 22 6 " 15 0 June 20 0 " 20 0 "	s. d. 16 3 June 21 3 " 22 6 " 15 0 June 20 0 " 20 0 "	s. d. 16 3 June 21 3 " 21 3 " 17 6 June 20 0 " 22 6 "	s. d. 17 6 July 22 6 " 22 6 " 17 6 July 22 6 " 22 6 "
15 0 " 20 0 " 25 0 " 30 0 " 40 0 " 45 0 "	15 0 " 20 0 " 25 0 " 30 0 " 45 0 " 30 0 "	15 0 " 20 0 " 25 0 " 30 0 "		17 6 May 22 6 " 27 6 " 32 6 "			20 0 May 22 6 " 25 0 "	20 0 May-June 25 0 " 25 0 "	20 0 July 25 0 " 25 0 " 35 0 "	20 0 June 25 0 July 25 0 "	22 6 July 27 6 " 27 6 "	17 6 July 22 6 " 22 6 "	20 0 August 25 0 " 25 0 "
25 0 " 25 0 " 27 6 " 27 6 "	25 0 " 25 0 " 25 0 " 25 0 "	22 6 April 22 6 " 20 0 " 20 0 "	22 6 April 22 6 " 20 0 " 20 0 "	22 6 April 22 6 "	20 0 May 20 0 " 25 0 " 25 0 "	20 0 May 20 0 " 22 6 " 22 6 "	17 6 May 22 6 " 15 0 June 20 0 "	22 6 May-June 22 6 "	22 6 June 22 6 " 22 6 July 22 6 "	20 0 June 20 0 " 25 0 July 25 0 "	21 3 June 21 3 " 20 0 " 20 0 "	25 0 July 25 0 " 20 0 June 20 0 "	22 9 July 22 9 " 20 0 " 20 0 "
15 0 March 20 0 " 20 0 " 20 0 " 15 0 " 20 0 " 20 0 " 30 0 "		15 0 " 20 0 " 25 0 " 30 0 " 15 0 " 20 0 " 20 0 " 30 0 "	17 6 " 22 6 " 25 0 " 32 6 " 15 0 May 20 0 " 20 0 " 30 0 "	17 6 May 22 6 " 25 0 " 32 6 " 15 0 " 20 0 " 20 0 " 30 0 "	15 0 " 20 0 " 22 6 " 30 0 " 15 0 " 20 0 " 20 0 " 30 0 "	15 0 " 20 0 " 20 0 " 30 0 " 20 0 " 25 0 " 25 0 " 35 0 "	15 0 " 20 0 " 22 6 " 20 0 May 25 0 " 32 6 "	17 6 May-June 22 6 " 25 0 " 20 0 May-June 25 0 " 25 0 "	16 3 June 21 3 " 22 6 " 20 0 June 25 0 " 25 0 "	16 3 June 21 3 " 22 6 " 20 0 June 25 0 " 25 0 "	16 3 June 21 3 " 22 6 " 20 0 June 25 0 " 25 0 "	16 3 June 21 3 " 22 6 " 20 0 July 25 0 " 25 0 "	s. d. s. d. 17 6 to 20 0 July 22 6 to 25 0 " 22 6 to 25 0 " 20 0 July 25 0 " 25 0 "
15 0 April 20 0 " 25 0 " 30 0 " 22 6 March 27 6 " 15 0 April 25 0 " 55 0 "	15 0 April 20 0 " 25 0 " 30 0 " 22 6 " 27 6 " 15 0 " 25 0 " 45 0 "	15 0 " 20 0 " 25 0 " 30 0 " 22 6 " 27 6 " 15 0 " 25 0 " 45 0 "	17 6 April 22 6 " 25 0 " 32 6 " 20 0 " 22 6 " 15 0 May 25 0 " 45 0 "	17 6 April 22 6 " 25 0 " 32 6 " 20 0 " 22 6 " 15 0 " 25 0 " 45 0 "	15 0 " 20 0 " 25 0 " 30 0 " 20 0 " 22 6 " 15 0 " 25 0 " 45 0 "	17 6 " 22 6 " 25 0 " 32 6 " 20 0 " 22 6 "	16 3 May 21 3 " 22 6 " 20 0 May 22 6 "	16 3 May-June 21 3 " 25 0 " 20 0 May-June 21 3 "	16 3 June 21 3 " 25 0 " 17 6 June 21 3 "	16 3 June 21 3 " 22 6 " 21 3 June 21 3 "	16 3 June 21 3 " 22 6 " 21 3 June 21 3 " 22 6 July 30 0 " 50 0 "	16 3 June 21 3 " 22 6 " 21 3 June 21 3 " 20 0 July 20 0 " 40 0 "	17 6 July 22 6 " 22 6 " 21 3 July 21 3 " 20 0 " 25 0 " 35 0 "
Rs. 40 to 45	Rs. 40 to 45	Rs. 40 to 45 Yen 40.	Rs. 45 to 50 Yen 40	Rs. 45 to 50 Yen 40	Rs. 45 to 50 Yen 40	Rs. 45 to 50 Yen 40	Rs. 45 to 50 Yen 40	Rs. 45 to 50 Yen 40	Rs. 45 to 50 Yen 40	Rs. 45 to 50 Yen 40	Rs. 45 to 50 Yen 40	Rs. 45 to 50 Yen 40	Rs. 45 to 50 Yen 40

...IAL. J=JAPAN.

Weekly Current Quotations as Estimated by the Committee of the B

QUOTATIONS.	Week ending 2nd July.	Week ending 9th July.	Week ending 16th July.	Week ending 23rd July.	Week ending 30th July.	Week ending 6th August.
EXCHANGE.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.
On England Bank Bills, Telegraphic Transfer	1s. 3 3/8d.	1s. 3 5/32d.	1s. 3 1/4d.	1s. 3 11/32d.	1s. 3 3/8d.	1s. 3 3/16d.
" " sight	1s. 3 13/32d.	1s. 3 3/16d.	1s. 3 9/32d.	1s. 3 3/8d.	1s. 3 13/32d.	1s. 3 19/32d.
" " 3 Months' "	1s. 3 9/16d.	1s. 3 11/32d.	1s. 3 7/16d.	1s. 3 17/32d.	1s. 3 9/16d.	1s. 3 25/32d.
First Class Credits 3 " "	1s. 3 13/16d.	1s. 3 9/16d.	1s. 3 5/8d.	1s. 3 3/4d.	1s. 3 3/4d.	1s. 4d.
" " 4 " "	1s. 3 19/32d.	1s. 3 21/32d.	1s. 3 25/32d.	1s. 3 27/32d.	1s. 3 27/32d.	1s. 4 3/32d.
" " 6 " "	1s. 4 3/32d.	1s. 3 27/32d.	1s. 3 29/32d.	1s. 4 1/32d.	1s. 4 1/32d.	1s. 4 9/32d.
Documents 3 " "	1s. 3 7/8d.	1s. 3 5/8d.	1s. 3 11/16d.	1s. 3 13/16d.	1s. 3 13/16d.	1s. 4 1/16d.
" 4 " "	1s. 3 31/32d.	1s. 3 23/32d.	1s. 3 25/32d.	1s. 3 29/32d.	1s. 3 29/32d.	1s. 4 5/32d.
" 6 " "	1s. 4 5/32d.	1s. 3 29/32d.	1s. 3 31/32d.	1s. 4 3/32d.	1s. 4 1/8d.	1s. 4 3/8d.
French Francs D/A	310	310	310	305	305	309
" " " 3 months "	320	320	320	313	313	318
On Calcutta Bank Telegraphic Transfer	100 1/32.	100 1/32.	100 1/32.	100 1/32.	100 1/32.	100 1/32.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Mercantile Bills 30 days' sight per 100 Dollars	H. 196 0 0	Nominal.	204 0 0	205 0 0	198 0 0	197 0 0
" 100 Taels	S. 254 0 0	Nominal.	Nominal.	Nominal.	Nominal.	280 0 0
" 100 Yens	J. 194 0 0	204 0 0	201 0 0	206 0 0	207 0 0	205 0 0
English Bar Gold 100 touch (per tola)	31 7 0	32 3 0	32 10 0	32 15 0	33 0 0	32 6 0
Sovereigns	19 8 0	20 0 0	20 7 0	20 8 0	20 8 0	20 4 0
Bar—Silver Ready	94 1 0	97 2 0	99 14 0	101 2 0	102 8 0	101 2 0
Bar—Silver Forward	94 0 0	97 7 0	99 8 0	101 4 0	103 8 0	101 2 0
RATES OF DISCOUNT.						
Bank Rate of Discount on Private Bills, 60 days' sight	5 per cent.	5 per cent.	5 per cent.	5 per cent.	5 per cent.	5 per cent.
Bank Rate of Interest on Demand Loans on Government Securities	5 "	5 "	5 "	5 "	5 "	5 "
Rate of Interest in the Open Market on Government Paper	3 "	3 "	3 "	3 "	3 "	3 "
Money Market	Easy.	Very Easy.	Very Easy.	Very Easy.	Very Easy.	Easy.
GOVERNMENT SECURITIES.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Three-and-a-half per cent.	59 0 0	59 8 0	59 8 0	60 0 0	60 8 0	60 0 0
Three per cent.	50 0 0 Nom.	50 0 0 Nom.	51 0 0 Nom.	51 0 0 Nom.	51 0 0 Nom.	51 0 0 Nom.
Means of Government Paper enfaced for London	Rs. 2,500	Rs. 11,02,500	Rs. 3,500	Nil.	Nil.	Nil.
Government Paper enfaced from London to Bombay	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.
IMPORTS.						
Piece-Goods Market	Steady	Quiet.	Quiet.	Firm.	Firm.	Dull.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
7 lbs. 38 in. 40½ yds. Grey Shirtings (per piece)	12 4 0	12 4 0	12 4 0	12 0 0	13 0 0	13 0 0
8 lbs. 39 in. 37½ yds. to 38 yds. do. (")	14 12 0	14 12 0	14 12 0	12 8 0	15 8 0	15 8 0
No. 40s. Water Twist (per lb.)	1 11 0	1 11 0	1 11 0	1 12 0	1 13 0	1 14 0
No. 30s. " (")	1 8 0	1 8 0	1 8 0	1 9 0	1 10 0	1 11 0
Copper Braziers (in bundles per cwt.)	93 0 0	93 0 0	91 0 0	91 0 0	90 0 0	90 0 0
Yellow Metal (" ")	84 0 0	82 0 0	82 0 0	82 0 0	82 0 0	83 0 0
Belgian No. 3, Bar Iron (per candy of 746½ lbs.)	73 0 0	70 0 0	70 0 0	65 0 0	65 0 0	60 0 0
Basic Steel (" ")	73 0 0	70 0 0	70 0 0	65 0 0	65 0 0	60 0 0
Swedish Bar Iron (" ")	......	......	......	......	......	......
	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.
Sugar, Ordinary Crystals, Beet (per cwt. ex Godown)	29 0 0	26 0 0 No Stock.	27 0 0 No Stock.	27 0 0 No Stock.	26 0 0 No Stock.	27 0 0 No Stock.
" Mauritius, Ordinary Grains, D to J (per cwt. ex Godown)	26-0-0 to 26-4-0	25-0-0 to 25-8-0	26-0-0 to 26-4-0	26-0-0 to 26-4-0	25-0-0 to 25-4-0	26-0-0 to 26-4-0
" China, Best Soft White (per cwt. ex Godown)	31 0 0	31 0 0	31 0 0 No Stock.	31 0 0	31 0 0	31 0 0
" Java white Granulated T. M. O. quality (per cwt. ex Godown)	29 0 0	26 0 0	27 0 0	27 0 0	26 0 0	27 0 0
" Japan (per cwt. ex Godown)	29 0 0 No stock	26 0 0 No stock	27 0 0 No Stock.	...... No Stock.	...... No Stock.	...... No Stock.
Coal, Shaw's Best Steam (per ton)	......	......	......	......	......	......
" " Ordinary (")	......	......	......	......	......	......
" Lawrie's Deshurghur (")	......	......	......	......	......	......
" " Jeyramdanga (")	......	......	......	......	......	......
" " Anthracite (")	......	......	......	......	......	......
" Natal (St. George's and Dundee) (")	......	......	......	......	......	......
" Davisons West Hartley (")	......	......	......	......	......	......
" Cardiff (")	......	......	......	......	......	......
" Deshurghur, Bengal (")	......	......	......	......	......	......
" Muir's Navigation Bengal alongside (")	......	......	......	......	......	......
" Jardine's Navigation Bengal (")	......	......	......	......	......	......
" Seebpore Bengal (")	......	......	......	......	......	......
" Bird's Navigation alongside (")	......	......	......	......	......	......
" Singaral (")	......	......	......	......	......	......
" Bengal good 2nd class steam (")	38-0-0 to 40-0-0 Rdy. Ex. Bunder.	38-0-0 to 40-0-0 Rdy. Ex. Bunder.	35-0-0 to 37-0-0 Rdy. Ex. Bunder.	34-0-0 to 35-0-0 Rdy. Ex. Bunder.	31-0-0 to 32-0-0 Rdy. Ex. Bunder.	32-0-0 to 33-0-0 Rdy. Ex. Depot
" English	......	......	......	......	......	......
EXPORTS.						
Cotton Market	Steady	Quiet but Steady	Firm.	Steady.	Easy.	Quiet.
Cotton (Full-pressed; per candy of 784 lbs.)— H. G. Bengals (Railway Terms) Fine	......	......	......	......	......	......
" " " F.G.	......	......	......	......	......	......
M. G. " " Fine	......	......	......	......	......	......
" " " F.G.	Rs. [illegible] July.	Rs. 272 July.	Rs. 265 July.	Rs. 280 July.	Rs. [illegible] 0 0	Rs. 276 September

QUOTATIONS.	Week ending 13th August.	Week ending 20th August.	Week ending 27th August.	Week ending 3rd September.	Week ending 10th September.	Week ending 17th September.	Week ending 24th September
EXCHANGE.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.
On England Bank Bills, Telegraphic Transfer	1s. 3 21/32d.	1s. 4 1/2d. Nom.	1s. 4 13/16d.	1s. 4 25/32d.	1s. 4 11/16d.	1s. 5d.	1s. 5 11/16d.
" " sight	1s. 3 11/16d.	1s. 4 17/32d. "	1s. 4 27/32d.	1s. 4 3/4d.	1s. 4 25/32d.	1s. 5 1/32d.	1s. 5 23/32d.
" " 3 Months' "	1s. 3 27/32d. 1s. 3 29/32d. (4 months' sight)	1s. 4 11/16d. "	1s. 5d.	1s. 4 29/32d.	1s. 4 7/8d.	1s. 5 3/16d.	1s. 5 7/8d.
First Class Credits 3 " "	1s. 4 1/16d. 1s. 3 13/16d. sight	1s. 5d. 1s. 4 27/32d. (sight)	1s. 5 13/16d.	1s. 5 3/16d.	1s. 5 1/8d.	1s. 5 1/2d.	1s. 6 1/8d.
" " 4 " "	1s. 4 1/8d.	1s. 5 1/8d.	1s. 5 7/16d.	1s. 5 9/32d.	1s. 5 7/32d.	1s. 5 10/32d.	1s. 6 1/8d.
" " 6 " "	1s. 4 5/16d.	1s. 5 5/16d.	1s. 5 11/16d.	1s. 5 1/2d.	1s. 5 7/16d.	1s. 5 13/16d.	1s. 6 1/2d.
Documents 3 " "	1s. 4 1/8d. 1s. 3 13/16d. (sight)	1s. 5d. 1s. 4 23/32d. (sight)	1s. 5 3/8d.	1s. 5 1/4d.	1s. 5 3/16d.	1s. 5 9/16d.	1s. 6 3/16d.
" 4 " "	1s. 4 3/16d.	1s. 5 3/16d.	1s. 5 1/2d.	1s. 5 11/32d.	1s. 5 9/32d.	1s. 5 21/32d.	1s. 6 5/16d.
" 6 " "	1s. 4 1/2d.	1s. 5 7/16d.	1s. 5 3/4d.	1s. 5 9/16d.	1s. 5 1/2d.	1s. 5 5/8d.	1s. 6 9/16d.
French Francs D/A	310	330	338	337	342	385	[illegible]
" " " 3 months "	320	340	348	347	352	390	[illegible]
On Calcutta Bank Telegraphic Transfer	100 1/32.	100 1/16.	100 1/32.	100 1/32.	100 1/32.	100 1/32.	100 1/32.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Mercantile Bills 30 days' sight per 100 Dollars	194 0 0	189 0 0	187 0 0	183 0 0	180 0 0	184 0 0	......
" 100 Taels	257 0 0	269 0 0	254 0 0	246 0 0	254 0 0	253 0 0	......
" 100 Yens	195 0 0	181 0 0	181 0 0	186 0 0	181 0 0	183 0 0	187 0 0
English Bar Gold 100 touch (per tola)	31 8 0	30 6 0	29 0 0	29 4 0	29 11 0	29 11 0	29 4 0
Sovereigns	19 14 0	19 8 0	17 14 0	18 8 0	18 9 0	18 12 0	[illegible] 8 0
Bar—Silver Ready	96 6 0	95 14 0	95 12 0	92 6 0	94 12 0	94 6 0	[illegible] 8 0
Bar—Silver Forward	96 6 0	95 14 0	93 0 0	92 6 0	94 4 0	94 6 0	[illegible] 8 0
RATES OF DISCOUNT.							
Bank Rate of Discount on Private Bills, 60 days' sight	5 per cent.	5 per cent.	5 per cent.	5 per cent.	5 per cent.	5 per cent.	5 per cent.
Bank Rate of Interest on Demand Loans on Government Securities	5 "	5 "	5 "	5 "	5 "	5 "	5 "
Rate of Interest in the Open Market on Government Paper	3 "	3 "	3 "	3 "	3 "	3 "	3 "
Money Market	Easy.	Easy.	Easy.	Fairly Easy.	Easy.	Easy.	Easy.
GOVERNMENT SECURITIES.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Three-and-a-half per cent.	60 4 0	60 4 0	60 8 0	60 0 0	59 8 0	59 4 0	[illegible]
Three per cent.	51 0 0 Nom.	51 0 0 Nom.	51 0 0 Nom.	50 0 0 Nom.	51 0 0 Nom.	51 0 0 Nom.	51 0 0 Nom.
Means of Government Paper enfaced for London	Rs. 10,00,000	Nil.	Nil.	Rs. 1,800	Nil.	Nil.	Nil.
Government Paper enfaced from London to Bombay	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.
IMPORTS.							
Piece-Goods Market	Dull.	Dull.	Quiet.	Quiet.	Dull.	Dull.	Dull.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
7 lbs. 38 in. 40½ yds. Grey Shirtings (per piece)	13 0 0	13 0 0	13 0 0	13 0 0	12 8 0	12 8 0	[illegible]
8 lbs. 39 in. 37½ yds. to 38 yds. do. (")	15 8 0	15 8 0	15 8 0	15 8 0	14 12 0	14 12 0	14 12 0
No. 40s. Water Twist (per lb.)	1 14 0	1 13 0	1 14 0	1 13 0	1 12 0	1 12 0	1 13 0
No. 30s. " (")	1 10 0	1 7 0	1 7 0	1 7 0	1 8 0	1 8 0	1 8 0
Copper Braziers (in bundles per cwt.)	85 0 0	88 0 0	85 0 0	82 0 0	78 0 0	83 0 0	81 0 0
Yellow Metal (" ")	80 0 0	81 0 0	80 0 0	78 0 0	83 0 0	78 0 0	73 0 0
Belgian No. 3, Bar Iron (per candy of 746½ lbs.)	60 0 0	60 0 0	55 0 0	55 0 0	55 0 0	55 0 0	55 0 0
Basic Steel (" ")	60 0 0	60 0 0	55 0 0	55 0 0	55 0 0	55 0 0	55 0 0
Swedish Bar Iron (" ")	......	......	......	......	......	......	......
	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.
Sugar, Ordinary Crystals, Beet (per cwt. ex Godown)	26 0 0 No Stock.	24 4 0 No Stock.	24 0 0 Nom.	25 12 0 No Stock.	26 0 0 No Stock.	24 8 0 Nom.	...... No Stock.
" Mauritius, Ordinary Grains, D to J (per cwt. ex Godown)	25-0-0 to 25-4-0	24-0-0 to 24-4-0	24-0-0 to 24-4-0 Nom.	25-12-0 to 26-0-0 No stock.	25-12-0 to 26-0-0 No Stock.	24-4-0 to 24-8-0	25-4-0 to 25-[illegible]
" China, Best Soft White (per cwt. ex Godown)	31 0 0	29 0 0	28 0 0	30 0 0	28 0 0 No Stock.	26 0 0 No Stock.	26 0 0
" Java white Granulated T. M. O. quality (per cwt. ex Godown)	26 0 0	24 4 0	24 0 0	25 12 0	26 0 0	24 8 0	23 4 0
" Japan (per cwt. ex Godown)	...... No Stock.	...... No Stock.	24 0 0 Nominal.	25 12 0 No Stock.	26 0 0 No Stock.	24 0 0 Nom.	...... No Stock.
Coal, Shaw's Best Steam (per ton)	......	......	......	......	......	......	......
" " Ordinary (")	......	......	......	......	......	......	......
" Lawrie's Deshurghur (")	......	......	......	......	......	......	......
" " Jeyramdanga (")	......	......	......	......	......	......	......
" " Anthracite (")	......	......	......	......	......	......	......
" Natal (St. George's and Dundee) (")	45 0 0 Rdy.	......	......	......	45 0 0 Rdy.	34 0 0 Rdy.	34 0 0 Rdy.
" Davisons West Hartley (")	......	......	......	......	......	......	......
" Cardiff (")	......	......	......	......	......	......	......
" Deshurghur, Bengal (")	......	......	......	......	......	......	......
" Muir's Navigation Bengal alongside (")	......	......	......	......	......	......	......
" Jardine's Navigation Bengal (")	......	......	......	......	......	......	......
" Seebpore Bengal (")	......	......	......	......	......	......	......
" Bird's Navigation alongside (")	......	......	......	......	......	......	......
" Singaral (")	......	......	......	......	......	......	......
" Bengal good 2nd class steam (")	31-0-0 to 32-0-0 Rdy. Ex. Bunder.	31-0-0 to 32-0-0 Rdy. Ex. Bunder.	33-0-0 to 34-0-0 Rdy. Ex. Depot.	32-0-0 to 34-0-0 Rdy. Ex. Bunder.	32-0-0 to 33-0-0 Rdy. Ex. Depot.	31-0-0 to 32-0-0 Rdy. Ex. Bunder.	31-0-0 to 32-0-0 Rdy. Ex. Bunder.
" English	......	......	......	......	......	......	......
EXPORTS.							
Cotton Market	Quiet but Steady.	Firm.	Firm.	Firm.	Quiet but Steady	Closed Quotations Nominal.	Firm.
Cotton (Full-pressed; per candy of 784 lbs.)— H. G. Bengals (Railway Terms) Fine	......	......	......	......	......	......	......
" " " F.G.	......	......	......	......	......	......	......
M. G. " " Fine	......	......	......	......	......	......	......
" " " F.G.	Rs. 276 September	Rs. 280 0 0	Rs. 2[illegible]0 0 0	Rs. 320 0 0	Rs. 330 0 0	Rs. 360 0 0	Rs. 367 0 [illegible]

…ittee of the Bombay Chamber of Commerce during the year 1921.

…k ending …h September.	Week ending 24th September.	Week ending 1st October.	Week ending 8th October.	Week ending 15th October.	Week ending 22nd October.	Week ending 29th October.
Ready.	Ready.	Ready.	Ready.	Ready.	Ready.	Ready.
…d.	1s. 5 11/16d.	1s. 5 3/8d.	1s. 5 3/16d.	1s. 5 7/16d.	1s. 4 5/8d.	1s. 4 7/16d.
…1/32d.	1s. 5 29/32d.	1s. 5 13/32d.	1s. 5 7/32d.	1s. 5 15/32d.	1s. 4 31/32d.	1s. 4 15/32d.
…3/16d.	1s. 5 7/8d.	1s. 5 9/16d.	1s. 5 3/8d.	1s. 5 5/8d.	1s. 4 13/16d.	1s. 4 5/8d.
…1/8d.	1s. 6 1/8d.	1s. 5 7/8d.	1s. 5 11/16d.	1s. 5 15/16d.	1s. 5 1/16d.	1s. 4 7/8d.
…19/32d.	1s. 6 1/4d.	1s. 5 21/32d.	1s. 5 25/32d.	1s. 6 1/16d.	1s. 5 5/32d.	1s. 4 31/32d.
…13/16d.	1s. 6 1/32d.	1s. 6 1/4d.	1s. 6 1/16d.	1s. 6 5/16d.	1s. 5 3/8d.	1s. 5 3/16d.
…9/16d.	1s. 6 3/16d.	1s. 5 15/16d.	1s. 5 3/4d.	1s. 6d.	1s. 5 1/8d.	1s. 4 15/16d.
…21/32d.	1s. 6 5/16d.	1s. 6 1/32d.	1s. 5 27/32d.	1s. 6 1/8d.	1s. 5 7/32d.	1s. 5 1/32d.
…8d.	1s. 6 9/16d.	1s. 6 1/16d.	1s. 6 3/16d.	1s. 6 3/8d.	1s. 5 7/16d.	1s. 5 1/8d.
	292	285	283	394	380	380
	603	295	293	404	390	390
…32.	100 1/32.	100 1/16.	100 1/16.	100 1/16.	100 1/16.	100 1/16
…p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
0	------	198 0 0	196 0 0	195 0 0	197 0 0	194 0 0
0	------	264 0 0	272 0 0	268 0 0	272 0 0	272 0 0
0	169 0 0	171 0 0	168 8 0	162 0 0	167 8 0	170 0 0
0	29 4 0	29 8 0	29 15 0	28 0 0	28 1 0	28 4 0
0	18 9 0	17 4 0	18 7 0	17 14 0	18 0 0	18 3 0
0	94 8 0	99 2 0	96 8 0	98 2 0	97 8 0	97 8 0
0	94 8 0	99 2 0	96 8 0	97 14 0	97 10 0	97 6 0
…nt.	5 per cent.	5 per cent.	5 per cent.	5 per cent.	5 per cent.	5 per cent.
	5 ,,	5 ,,	5 ,,	5 ,,	5 ,,	5 ,,
	3½ ,,	3½ ,,	3½ ,,	3½d ,,	3½ ,,	3½ ,,
	Easy.	Easy.	Easy.	Easy.	Easy.	Easy.
…p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
…0	60 8 0	59 12 0	59 12 0	59 12 0	59 12 0	60 0 0
…0 Nom.	51 8 0 Nom.	50 0 0 Nom.	50 0 0 Nom.	50 0 0 Nom.	60 0 0 Nom.	50 0 0 Nom.
	Nil.	Rs. 1,50,000	Nil.	Nil.	Rs. 35,000	Nil.
	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.
…l.	Dull.	Quiet.	Steady.	Steady.	Steady.	Steady.
…p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
	12 8 0	13 0 0	13 8 0 Rdy.	13 8 0	13 8 0	13 8 0
	14 12 0	15 8 0	15 8 0	15 8 0	15 8 0	15 8 0
	1 13 0	1 12 0	1 15 0	1 13 0	1 15 0	1 15 0
	1 8 0	1 8 0	1 10 0	1 10 0	1 10 0	1 10 0
	82 0 0	80 0 0	80 0 0	81 0 0	83 0 0	82 0 0
	71 0 0	74 0 0	74 0 0	74 0 0	74 0 0	74 0 0
	54 0 0	55 0 0	55 0 0	55 0 0	55 0 0	55 0 0
	54 0 0	55 0 0	55 0 0	55 0 0	55 0 0	55 0 0
Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.
	------ No Stock.	------ No Stock.	------	21-12-0 to 22-0-0 Nom.	------	20 8 0 No Stock.
…1-8-0	23-4-0 to 23-6-0	23-0-0 to 23-12-0	21-12-0 to 22-0-0	21-12-0 to 22-0-0	21 4 0 Nom.	20-4-0 to 20-8-0
…k.	25 0 0	23 0 0	24 8 0	24 0 0	23 8 0 No Stock.	23 0 0 No Stock.
	23 4 0	23 12 0 No Stock.	22 0 0	22 0 0	21 4 0	20 8 0
	------ No Stock.	------	22 0 0 No Stock.	22 0 0	21 4 0 No Stock.	20 8 0 No Stock.
	------	------	------	------	------	------
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	------	------	------	------	------	------
	------	------	------	------	------	------
…ady.	54 0 0 Rdy.	54 0 0 Rdy.	s. d. 42 6 Forward C. I. F. Bombay.	s. d. 43 6 Forward C. I. F. Bombay.	s. d. 42 6 Forward C. I. F. Bombay.	40 0 0 Rdy.
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	------	------	------	------	------	------
	------	------	------	------	------	------
…-0-0 …nder.	31-8-0 to 32-0-0 Rdy. Ex. Bunder.	------	Rs.32-0-0 to 33-0-0 Rdy. Ex. Depot.	Rs.30-0-0 to 31-0-0 Rdy. Ex. Bunder.	Rs.30-0- to 32-0-0 Rdy. Ex. Bunder	30-0-0 to 32-0-0 Rdy. Ex. Depot.
	------	------	------	------	------	------
…ions	Firm.	Steady.	Steady.	Quiet.	Weak.	Steady.
	------	------	------	------	------	------
	------	------	------	------	------	------
	------	------	------	------	------	------
0	Rs. 367 0 0	Rs. 438 to Rs. 439	Rs. 430 0 0	Rs. 415 0 0	Rs. 366 0 0	Rs. 357 0 0

Week ending 5th November.	Week ending 12th November.	Week ending 19th November.	Week ending 26th November.	Week ending 3rd December.	Week ending 10th December.	Week ending 17th December.	Week ending 24th December.	Week ending 31st December.
Ready.	Ready.	Ready.	Ready.	Ready.	Ready.			
1s. 4 7/16d.	1s. 4 1/4d.	1s. 4 3/8d.	1s. 3 7/8d.	1s. 3 31/32d.	1s. 3 11/16d.	1s. 3 13/16d.	1s. 3 3/4d.	1s. 3 15/16d.
1s. 4 15/32d.	1s. 4 9/32d.	1s. 4 3/16d.	1s. 3 29/32d.	1s. 4d.	1s. 3 23/32d.	1s. 3 31/32d.	1s. 3 25/32d.	1s. 3 31/32d.
1s. 4 5/8d.	1s. 4 7/16d.	1s. 4 11/32d.	1s. 4 1/16d.	1s. 4 5/32d.	1s. 3 7/8d.	1s. 4 1/8d.	1s. 3 29/32d.	1s. 4 3/32d.
1s. 4 15/16d.	1s. 4 11/16d.	1s. 4 9/16d.	1s. 4 3/8d.	1s. 4 3/8d.	1s. 4 1/8d.	1s. 4 1/4d.	1s. 4 3/16d.	1s. 4 9/32d.
1s. 5 1/32d.	1s. 4 25/32d.	1s. 4 21/32d.	1s. 4 1/2d.	1s. 4 15/32d.	1s. 4 7/32d.	1s. 4 11/32d.	1s. 4 1/4d.	1s. 4 11/32d.
1s. 5 1/8d.	1s. 5d.	1s. 4 7/8d.	1s. 4 11/16d.	1s. 4 11/16d.	1s. 4 7/16d.	1s. 4 9/16d.	1s. 4 7/16d.	1s. 4 1/2d.
1s. 5d.	1s. 4 3/4d.	1s. 4 5/8d.	1s. 4 7/16d.	1s. 4 7/16d.	1s. 4 3/16d.	1s. 4 5/16d.	1s. 4 1/8d.	1s. 4 11/32d.
1s. 5 3/32d.	1s. 4 27/32d.	1s. 4 23/32d.	1s. 4 9/16d.	1s. 4 17/32d.	1s. 4 9/32d.	1s. 4 13/32d.	1s. 4 5/16d.	1s. 4 13/32d.
1s. 5 5/16d.	1s. 5 1/16d.	1s. 4 31/32d.	1s. 4 3/8d.	1s. 4 13/16d.	1s. 4 9/16d.	1s. 4 11/16d.	1s. 4 9/16d.	1s. 4 9/16d.
378	378	381	380	277	256	350	356	354
388	388	391	390	287	266	360	366	364
100 1/32	100 1/32	100 1/32	100 1/32	100	100	100 1/16	100 1/32	100
Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
189 0 0	Nominal.	189 0 0	193 0 0	Nominal.	186 0 0	187 0 0	186 0 0	Nominal.
Nominal.	256 0 0	260 0 0	266 0 0	Nominal.	Nominal.	Nominal.	Nominal.	Nominal.
171 0 0	174 8 0	170 0 0	175 0 0	173 0 0	172 0 0	166 0 0	167 0 0	171 8 0
28 5 0	28 13 0	28 12 0	29 8 0	29 0 6	29 1 6	28 4 0	28 3 0	27 9 0
18 4 0	18 12 0	18 3 0	18 8 0	18 3 0	18 2 0	17 12 0	17 14 0	17 8 0
97 14 0	97 14 0	96 14 0	96 12 0	95 5 0	93 2 0	91 10 0	91 0 0	89 10 0
97 8 0	97 2 0	96 13 0	96 10 0	96 0 0	92 12 0	91 8 0	91 0 0	87 4 0
5 per cent.	5 per cent.	5 per cent.	5 per cent.	5 per cent.	5 per cent.	7 per cent.	7½ per cent.	8 per cent.
5 ,,	5 ,,	5 ,,	5 ,,	5 ,,	5 ,,	6 ,,	6 ,,	7 ,,
3½ ,,	3½ ,,	3 ,,	3 ,,	3 ,,	4 ,,	5 ,,	5½ ,,	7 ,,
Easy.	Easy.	Easy.	Easy.	Easy.	Steady.	Firm.	Firm.	Very Firm.
Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
60 0 0	60 0 0	60 0 0	60 0 0	60 0 0	60 0 0	59 12 0	59 12 0	59 12 0
50 0 0 Nom.	50 0 0 Nom.	50 0 0 Nom.	50 0 0 Nom.	50 0 0 Nom.	50 0 0 Nom.	51 2 0	51 0 0 Nom.	51 0 0 Nom.
Nil.	Rs. 1,000	Nil.	Nil.	Nil.	Rs. 1,00,000	Nil.	Rs. 1,00,000	Nil.
Nil.	Nil.	Rs. 6,00,000	Nil.	Rs. 2,500	Nil.	Nil.	Nil.	Nil.
Steady.	Steady.	Steady.	Dull.	Dull.	Steady.	Quiet.	Quiet.	Quiet.
Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
13 12 0	13 12 0	13 12 0	13 12 0	13 12 0	13 12 0	13 12 0	13 12 0	13 13 0
15 12 0	15 12 0	15 12 0	15 12 0	15 12 0	15 12 0	15 12 0	15 12 0	15 12 0
1 14 0	1 14 0	1 14 0	1 12 0	1 12 0	1 12 0	1 14 0	1 14 0	1 14 0
1 10 0	1 10 0	1 10 0	1 8 0	1 8 0	1 8 0	1 10 0	1 10 0	1 10 0
83 0 0	83 0 0	82 0 0	84 0 0	84 0 0	85 0 0	85 0 0	85 0 0	85 0 0
73 8 0	74 0 0	74 0 0	74 0 0	74 0 0	75 0 0	75 0 0	74 0 0	74 0 0
55 0 0	58 0 0	53 0 0	53 0 0	60 0 0	60 0 0	58 0 0	58 0 0	58 0 0
55 0 0	56 0 0	53 0 0	52 0 0	60 0 0	60 0 0	58 0 0	58 0 0	58 0 0
Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.	Rs.a.p. Rs.a.p.
------	18 12 0 No Stock.	18 12 0 No Stock.	20 0 0 No Stock.	19 12 0 No Stock.	19 8 0 No Stock.	19 8 0 Nom.	19 8 0	19 8 0 No Stock.
20-0-0 to 20-4-0	18-8-0 to 18-12-0	18-8-0 to 18-12-0	19-12-0 to 20-0-0	19-8-0 to 19-12-0	19-4-0 to 19-8-0	19-4-0 to 19-8-0	19 8 0	19-4-0 to 19-8-0
23 0 0	23 0 0	23 0 0	23 0 0	23 0 0	24 0 0	24 0 0	23 0 0	23 0 0
20 4 0	18 12 0	18 12 0	20 0 0	19 12 0	19 8 0	19 8 0	19 8 0	19 8 0
20 4 0 No Stock.	18 12 0 No Stock.	18 12 0 No Stock.	20 0 0 No Stock.	19 12 0 No Stock.	19 8 0 No Stock.	19 8 0 Nom.	19 8 0 No Stock.	19 0 0 No Stock.
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s. d. 40 0 Forward	20 0 0 Rdy.	20 0 0 Rdy.	------	20 0 0 Forward	------	------	------	------
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------	------	------	28-0-0 to 40-0-0 Rdy. Ex. Depot.	------	33-0-0 to 40-0-0 Rdy. Ex. Depot.	33-0-0 to 40-0-0 Rdy. Ex. Depot. 33-0-0 to 34-0-0 Rdy. Ex. Depot.	38 0 0 Rdy. C. I. F.	40 0 0 Rdy. Ex. Depot. 34-0-0 to 35-0-0 Rdy. Ex. Depot.
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Rs.30-0-0 to 32-0-0 Rdy. Ex. Depot.	30-0-0 to 32-0-0 Rdy. Ex. Depot. 38-0-0 to 40-0-0 Rdy. Ex. Bunder.	29-0-0 to 32-0-0 Rdy. Ex. Depot.	28-0-0 to 30-0-0 Rdy. Ex. Bunder.	28-0-0 to 30-0-0 Rdy. Ex. Bunder 38-0-0 to 40-0-0 Rdy Ex. Bunder.	28-0-0 to 30-0-0 Rdy. Ex. Depot.	28-0-0 to 30-0-0 Rdy. Ex. Depot.	about Rs. 30 to 32 Rdy. C. I. F.	28-0-0 to 30-0-0 Rdy. Ex. Depot.
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Quiet.	Weak.	Steady.	Steady.	Steady.	Quiet but Steady.	Quiet.	Steady to Firm.	Quiet.
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Rs. 355 to Rs. 356	Rs. 284 0 0	Rs. 309 0 0	Rs. 320 0 0	Rs. 301 0 0	Rs. 313 0 0	Rs. 320 0 0	Rs. 324 0 0	Rs. 328 0 0

	Rs. 319 September	Rs. [illegible] September	Rs. [illegible] September	[illegible] September	September	September	September
" Sind-Punjab (") ... Fine	—	—	—	—	—	—	—
" (") ... F.G.	—	—	—	—	—	—	—
" Khandeish ... Fine	—	—	—	—	—	—	—
" " ... F.G.	—	—	—	—	—	—	—
" Dhamangaum—Pulgaum ... Fine	—	—	—	—	—	—	—
" " ... F.G.	—	—	—	—	—	—	—
" Nagpore and Kamptee ... Fine	—	—	—	—	—	—	—
" " ... F.G.	—	—	—	—	—	—	—
" Oomrawuttee (Descriptions) ... Fine	—	—	—	—	—	—	—
" " (") ... F.G.	—	—	—	—	—	—	—
" Akola, Khamgaum, Karanja (Fair Staple) ... Fine	—	—	—	—	—	—	—
" " ... F.G.	—	—	—	—	—	—	—
" Oomra ... Fine	Rs. 319 July. Rs. 327 September "Fair staple."	Rs. 319 July Rs. 333 September "Fair staple."	Rs. 337 July Rs. 346 September "Fair staple."	Rs. 342-8 July, Rs. 349 September "Fair staple."	Rs. 330 0 0 September "Fair staple."	Rs. 326 8 0 September. "Fair staple."	Rs. 325 to Rs. 326 September, "Fair staple."
" " ... F.G.	—	—	—	—	—	—	—
" Broach ... Fine	—	—	—	—	—	—	—
" " ... F.G.	Rs. 326 0 0 July-August.	Rs. 326 0 0 July-August.	Rs. 347 0 0 July-August.	Rs. 369 0 0 July-August.	Rs. 331 0 0 July-August.	Rs. 324 0 0 July-August.	Rs. 318 0 0 July-August.
" " ... Good	—	—	—	—	—	—	—
" Morris ... Fine	—	—	—	—	—	—	—
" " ... F.G.	—	—	—	—	—	—	—
Saw-Ginned, Dharwar ... Good	—	—	—	—	—	—	—
M. G. Southern ... Good	—	—	—	—	—	—	—
M. G. Westerns ... Good	—	—	—	—	—	—	—
M. G. Compta ... Good	—	—	—	—	—	—	—
	Rs. as. p.	Rs. as. p.	Rs. as. p.	Rs. as. p.	Rs. as. p.	Rs. as. p.	Rs. as. p.
Cotton seed ... (per cwt.)	6 4 0 Rdy.	6 4 0 Rdy.	6 6 0 Rdy.	6 12 0 Rdy.	6 14 0 Rdy.	6 14 0 Rdy.	5 6 0 Rdy.
Gingelly seed (White Bold) (")	—	—	—	18 4 0 "	17 12 0 "	18 12 0 "	19 4 0 "
" Mixed, 50 per cent. (")	—	—	—	—	—	—	—
Linseed, Bold (")	15 6 0 "	16 0 0 "	16 8 0 "	18 4 0 "	17 6 0 "	17 0 0 "	16 0 0 "
" Small Seed (")	14 6 0 "	14 8 0 "	15 0 0 "	16 8 0 "	16 0 0 "	15 8 0 "	15 2 0 "
Rape seed, Guzerat, Yellow (")	14 8 0 "	14 4 0 "	14 8 0 "	15 8 0 "	16 12 0 "	14 8 0 "	15 4 0 "
" Brown Delhi (")	—	—	—	—	—	—	—
" " Cawnpore (")	13 0 0 "	12 12 0 "	13 4 0 "	14 0 0 "	13 4 0 "	12 12 0 "	13 4 0 "
" Yellow (")	14 0 0 "	14 0 0 "	14 0 0 "	13 12 0 "	14 0 0 "	13 12 0 "	14 8 0 "
Poppy seed (")	16 1 0 "	16 4 0 "	17 8 0 "	18 8 0 "	18 0 0 "	17 12 0 "	17 6 0 "
Groundnuts (")	14 12 0 "	13 12 0 "	16 0 0 "	17 8 0 "	19 0 0 "	19 4 0 "	18 4 0 "
Mowra seed (")	8 0 0 "	8 4 6 "	9 8 0 "	11 0 0 "	10 0 0 "	10 0 0 "	10 0 0 "
Castorseed, Ordinary Quality, F. A. (")	10 6 0 "	10 10 0 "	11 8 0 "	12 1 0 "	12 0 0 "	11 12 0 "	11 3 0 "
Wheat, White Pissy, 70 per cent. (")	—	—	—	—	—	—	—
" Jubbulpore Pissy (")	10 14 0 "	11 2 0 "	11 8 0 "	11 6 0 "	11 2 0 "	11 6 0 "	12 8 0 "
" Ahmedabad Soft Red (")	—	—	—	—	—	—	—
" Hard Yellow, 65 per cent. (")	—	—	—	—	—	—	—
" Delhi No. 1 White Pissy (")	10 12 0 "	11 1 0 "	11 4 0 "	11 2 0 "	11 2 6 "	11 5 0 "	12 0 0 "
" " Red (")	—	—	—	—	—	—	—
" " Hard Red Khatha (")	—	—	—	—	—	—	—
" " Nagpore Khathi (")	—	—	—	—	—	—	—
FREIGHTS							
London—Measurement Cargo (per ton 40 ft.) (P. & O. via Suez Canal	Market steady.	—	—	—	—	—	—
" Seeds and Wheat P. & O. via Suez Canal	—	—	—	—	—	—	—
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
" Light Seeds ... via Suez Canal	17 6 July	17 6 July	18 9 August	21 3 Aug.-Sept.	25 0 September	27 6 August	27 6 September
" Seeds	22 6 "	22 6 "	23 9 "	26 3 "	30 0 "	32 6 "	32 6 "
" Measurement Cargo	22 6 "	22 6 "	23 9 "	26 3 "	32 6 "	32 6 "	35 0 "
" Wheat	22 6 "	—	—	—	—	—	—
Antwerp—Light Seeds	17 6 "	18 9 Aug.-Sept.	18 9 August	21 3 Aug.-Sept.	25 0 September	27 6 August	27 6 August
" Seeds	22 6 "	23 9 "	23 9 "	26 3 "	30 0 "	32 6 "	32 6 "
" Measurement Cargo	22 6 "	23 9 "	23 9 "	26 3 "	30 0 "	32 6 "	32 6 "
" Wheat	22 6 "	—	—	—	—	—	—
Dunkirk—Light Seeds	20 0 "	18 9 July	20 0 August	—	27 6 August	27 6 August	30 0 August
" Seeds	25 0 "	22 9 "	25 0 "	27 6 Aug.-Sept.	32 6 "	32 6 "	35 0 "
" Measurement Cargo	25 0 "	22 9 "	25 0 "	37 6 "	32 6 "	32 6 "	35 0 "
" Wheat	25 0 "	—	—	—	—	—	—
Havre—Seeds	30 0 "	—	—	—	33 6 September	27 6 August	37 6 August
" Measurement Cargo	30 0 "	—	—	—	40 0 "	37 6 "	47 6 "
Hamburg—Seeds	22 9 "	20 0 July	21 3 August	23 9 Aug.-Sept.	32 6 "	35 0 "	35 0 "
" Measurement Cargo	22 9 "	25 0 "	26 3 "	28 9 "	32 6 "	35 0 "	35 0 "
Genoa—Seeds	17 6 "	20 0 "	20 0 July	20 0 "	29 0 August	23 6 Sept.	—
" Measurement Cargo	20 0 "	22 6 "	22 6 "	20 0 "	27 6 "	25 0 "	—
Marseilles—Light Seeds	17 6 "	17 6 "	17 6 August	18 9 "	17 6 "	20 0 August	22 6 August
" Seeds	22 6 "	22 6 "	22 6 "	22 6 "	22 6 "	25 0 "	27 6 "
" Measurement Cargo	22 6 "	22 6 "	22 9 "	21 3 "	25 6 "	27 6 "	30 0 "
" Wheat	22 6 "	—	—	—	—	—	—
Liverpool—Light Seeds	17 6 "	17 6 July	17 6 July	18 9 Augt. Sept.	17 6 August	20 0 August	22 6 August
" Seeds	22 6 "	20 0 "	20 0 "	23 6 "	22 6 "	25 0 "	27 6 "
" Measurement Cargo	25 0 "	25 0 "	25 0 "	25 9 "	32 6 "	27 6 "	30 0 "
" Wheat	25 0 "	—	—	—	—	—	—
Hull—Light Seeds	20 0 "	17 6 July	18 9 August	22 6 Augt. Sept.	27 6 August	27 6 August	27 6 August
" Seeds	25 0 "	22 6 "	23 9 "	23 9 "	32 6 "	32 6 "	32 6 "
" Measurement Cargo	25 0 "	22 6 "	23 9 "	—	32 6 "	32 6 "	32 6 "
" Wheat	25 0 "	—	—	—	—	—	—
Trieste and Venice—Seeds	22 9 "	20 6 July	22 6 July	20 9 Augt. Sept.	22 9 August	25 0 August	22 6 August
" Measurement Cargo	22 9 "	20 0 "	22 6 "	20 0 "	23 9 "	25 0 "	25 0 "
New York—Light Seeds	20 0 "	17 6 Augt. Sept.	20 0 August	—	—	22 6 September	22 6 Sept. Nov. Nov.
" Measurement Cargo	30 0 "	25 0 "	30 0 "	—	—	32 6 "	22 6 " "
" Hides and Skins	50 0 "	45 0 "	45 0 "	—	—	—	—
China Steamer (P. & O.)	Rs. 45 to 50	Rs. 45 to 50	Rs. 45 to 50	Rs. 45 to 50	Rs. 45 to 50	Rs. 45 to 50	Rs. 45 to 50
Japan " (")	Yen 40	Yen 40	Yen 40	Yen 40	Yen 40	Yen 40	Yen 40
Australia " (")	—	—	—	—	—	—	—

	September	September	September	September	September	September	[illegible]
" Sind-Punjab (") ... Fine	—	—	—	—	—	—	—
" (") ... F.G.	—	—	—	—	—	—	—
" Khandeish ... Fine	—	—	—	—	—	—	—
" " ... F.G.	—	—	—	—	—	—	—
" Dhamangaum—Pulgaum ... Fine	—	—	—	—	—	—	—
" " ... F.G.	—	—	—	—	—	—	—
" Nagpore and Kamptee ... Fine	—	—	—	—	—	—	—
" " ... F.G.	—	—	—	—	—	—	—
" Oomrawuttee (Descriptions) ... Fine	—	—	—	—	—	—	—
" " (") ... F.G.	—	—	—	—	—	—	—
" Akola, Khamgaum, Karanja (Fair Staple) ... Fine	—	—	—	—	—	—	—
" " ... F.G.	—	—	—	—	—	—	—
" Oomra ... Fine	Rs. 327 0 0 September. "Fair staple."	Rs. 361 0 0 September. "Fair staple."	Rs. 435 0 0 September. "Fair staple."	Rs. 457 0 0 September. "Fair staple."	Rs. 490 0 0 September. "Fair staple."	Rs. 525 0 0 September. "Fair staple."	Rs. 508 to [illegible] Dec.-Jan. "Fair staple."
" " ... F.G.	—	—	—	—	—	—	—
" Broach ... Fine	—	—	—	—	—	—	—
" " ... F.G.	Rs. 325 0 0 July-August.	Rs. 338 0 0 July-August.	Rs. 470 0 0 April-May.	Rs. 464 0 0 April-May.	Rs. 497 0 0 April-May.	Rs. 540 0 0 April-May.	Rs. 590 [illegible] April-May.
" " ... Good	—	—	—	—	—	—	—
" Morris ... Fine	—	—	—	—	—	—	—
" " ... F.G.	—	—	—	—	—	—	—
Saw-Ginned, Dharwar ... Good	—	—	—	—	—	—	—
M. G. Southern ... Good	—	—	—	—	—	—	—
M. G. Westerns ... Good	—	—	—	—	—	—	—
M. G. Compta ... Good	—	—	—	—	—	—	—
	Rs. as. p.	Rs. as. p.	Rs. as. p.	Rs. as. p.	Rs. as. p.	Rs. as. p.	Rs. as. p.
Cotton seed ... (per cwt.)	6 7 0 Rdy.	6 7 0 Rdy.	4 8 0 Rdy.	6 14 0 Rdy.	6 12 0 Rdy.	6 8 0 Rdy.	6 8 [illegible]
Gingelly seed (White Bold) (")	19 8 0 "	17 8 0 "	18 0 0 "	18 0 0 "	17 12 0 "	17 4 0 "	—
" Mixed, 50 per cent. (")	—	—	—	—	—	—	—
Linseed, Bold (")	15 8 0 "	15 6 0 "	15 8 0 "	16 0 0 "	13 12 0 "	15 10 0 "	13 0 0
" Small Seed (")	14 0 0 "	14 8 0 "	14 8 0 "	14 12 0 "	14 8 0 "	12 0 0 "	13 8 0
Rape seed, Guzerat, Yellow (")	15 0 0 "	13 4 0 "	12 4 0 "	15 4 0 "	13 8 0 "	15 0 0 "	15 0 0
" Brown Delhi (")	—	—	—	—	—	—	—
" " Cawnpore (")	14 4 0 "	13 8 0 "	12 8 0 "	13 0 0 "	13 4 0 "	12 14 0 "	13 4 0
" Yellow (")	12 8 0 "	14 8 0 "	14 8 0 "	15 4 0 "	14 8 0 "	16 0 0 "	13 12 0
Poppy seed (")	17 0 0 "	17 6 0 "	17 0 0 "	17 4 0 "	16 12 0 "	14 4 0 "	16 0 0
Groundnuts (")	18 4 0 "	16 8 0 "	17 12 0 "	17 8 0 "	18 0 0 "	18 0 0 "	17 8 0
Mowra seed (")	10 8 0 "	10 8 0 "	10 5 0 "	10 0 0 "	10 5 0 "	18 8 0 "	
Castorseed, Ordinary Quality, F. A. (")	10 8 0 "	10 12 0 "	11 8 0 "	11 10 0 "	11 7 0 "	11 10 0 "	11 8 [illegible]
Wheat, White Pissy, 70 per cent. (")	—	—	—	—	—	—	—
" Jubbulpore Pissy (")	12 8 0 "	12 10 0 "	13 0 0 "	13 0 0 "	13 13 0 "	11 13 0 "	13 0 [illegible]
" Ahmedabad Soft Red (")	—	—	—	—	—	—	—
" Hard Yellow, 65 per cent. (")	—	—	—	—	—	—	—
" Delhi No. 1 White Pissy (")	12 8 0 "	12 8 0 "	13 0 0 "	13 0 0 "	13 13 0 "	11 10 "	12 2 [illegible]
" " Red (")	—	—	—	—	—	—	—
" " Hard Red Khatha (")	—	—	—	—	—	—	—
" " Nagpore Khathi (")	—	—	—	—	—	—	—
FREIGHTS							
London—Measurement Cargo (per ton 40 ft.) (P. & O. via Suez Canal	Market firm.	—	Market quiet.	—	—	—	
" Seeds and Wheat P. & O. via Suez Canal	—	—	—	—	—	—	
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
" Light Seeds ... via Suez Canal	27 6 September	27 6 Sept.	25 0 October	25 0 Octo.	25 0 Octo.	25 0 Octo.	25 0
" Seeds	32 6 "	32 6 "	30 0 "	30 0 "	30 0 "	30 0 "	30 0
" Measurement Cargo	32 6 "	32 6 "	30 0 "	30 0 "	30 0 "	30 0 "	30 0
" Wheat	—	—	—	—	—	—	
Antwerp—Light Seeds	27 6 August	27 6 Sept.	27 6 Sept.	25 0 Sept.	27 6 Sept.	25 0 Octo.	32 6
" Seeds	27 6 "	32 6 "	27 6 "	30 0 "	32 6 "	30 0 "	27 6
" Measurement Cargo	27 6 "	32 6 "	30 0 "	30 0 "	32 6 "	30 0 "	27 6
" Wheat	—	—	—	—	—	—	
Dunkirk—Light Seeds	27 6 August	27 6 Sept.	27 6 Sept.	25 0 Octo.	25 0 Octo.	25 0 Octo.	32 6
" Seeds	32 6 "	32 6 "	30 0 "	30 0 "	30 0 "	30 0 "	27 6
" Measurement Cargo	32 6 "	32 6 "	30 0 "	30 0 "	30 0 "	30 0 "	27 6
" Wheat	—	—	—	—	—	—	
Havre—Seeds	—	—	30 0 Sept.	—	32 6 Octo.	—	
" Measurement Cargo	60 0 September	—	50 0 "	—	52 6 "	—	
Hamburg—Seeds	35 0 "	35 0 September	30 0 "	32 6 Sept.	30 0 "	30 0 Octo.	27 6
" Measurement Cargo	35 0 "	35 0 "	32 6 "	32 6 "	30 0 "	30 0 "	27 6
Genoa—Seeds	32 6 "	32 6 "	30 0 "	30 0 Octo.	30 0 Sept.	30 0 "	27 6
" Measurement Cargo	32 6 "	32 6 "	30 0 "	30 0 "	30 0 "	30 0 "	27 6
Marseilles—Light Seeds	22 6 August	25 0 "	25 0 "	25 0 September	22 6 "	25 0 "	20 0
" Seeds	27 6 "	30 0 "	30 0 "	30 0 "	27 6 "	30 0 "	25 0
" Measurement Cargo	30 0 "	32 6 "	30 0 "	30 0 "	30 0 "	30 0 "	25 0
" Wheat	—	—	—	—	—	—	
Liverpool—Light Seeds	22 6 August	25 0 September	25 0 September	25 0 September	22 6 September	25 0 October	20 0
" Seeds	27 6 "	30 0 "	30 0 "	30 0 "	27 6 "	30 0 "	25 0
" Measurement Cargo	30 0 "	32 6 "	30 0 "	30 0 "	30 0 "	30 0 "	25 0
" Wheat	—	—	—	—	—	—	
Hull—Light Seeds	27 6 August	26 3 September	26 3 September	25 0 October	27 6 September	25 0 October	23 6
" Seeds	32 6 "	31 3 "	31 3 "	30 0 "	32 6 "	30 0 "	27 6
" Measurement Cargo	32 6 "	31 3 "	31 3 "	30 0 "	32 6 "	30 0 "	27 6
" Wheat	—	—	—	—	—	—	
Trieste and Venice—Seeds	27 6 October	32 6 September	30 0 October	32 6 October	—	32 6 December	32 6
" Measurement Cargo	32 6 "	35 0 "	32 6 "	35 0 "	—	32 6 "	32 6
New York—Light Seeds	—	—	—	25 0 September	25 0 September	—	25 0
" Measurement Cargo	—	—	35 0 September	32 6 "	35 0 "	—	35 0
" Hides and Skins	—	—	45 0 "	45 0 "	55 0 "	—	56 0
China Steamer (P. & O.)	Rs. 45 to 50	Rs. 45 to 50	Rs. 45 to 50	Rs. 45 to 50	Rs. 45 to 50	Rs. 45 to 50	Rs. 4[illegible]
Japan " (")	Yen 40	Yen 40	Yen 40	Yen 40	Yen 40	Yen 40	Y[illegible]
Australia " (")	—	—	—	—	—	—	

H = HONGKONG S = SHANGHAI

Rs. 335 0 0 September. "Fair staple."	Rs. 505 to Rs. 508 Dec.-Jan. "Fair staple."	Rs. 502 0 0 Dec.-Jan. "Fair staple."	Rs. 515 0 0 Dec.-Jan. "Fair staple."	Rs. 451 0 0 Dec.-Jan. "Fair staple."	Rs. 442 0 0 Dec.-Jan. "Fair staple."	Rs. 413 to Rs. 415 Dec.-Jan. "Fair staple."	Rs. 359 0 0 Dec.-Jan. "Fair staple."	Rs. 379 0 0 Dec.-Jan. "Fair staple."	Rs. 401 0 0 Dec.-Jan. "Fair Staple."	Rs. 413 0 0 Dec.-Jan. "Fair Staple."	Rs. 416 0 0 Dec.-Jan. "Fair staple."	Rs. 418 0 0 Dec.-Jan. "Fair Staple."	Rs. 439 0 0 Dec.-Jan. "Fair Staple."	Rs. 464 0 0 Dec.-Jan. "Fair Staple."
Rs. 340 0 0 April-May.	Rs. 580 0 0 April-May.	Rs. 588 0 0 April-May.	Rs. 570 0 0 April-May.	Rs. 384 0 0 April-May.	Rs. 500 0 0 April-May.	Rs. 490 to Rs. 415 April-May.	Rs. 415 0 0 April-May.	Rs. 439 0 0 April-May.	Rs. 461 0 0 April-May.	Rs. 434 0 0 April-May.	Rs. 433/460. April-May.	Rs. 471 0 0 April-May.	Rs. 487 0 0 April-May.	Rs. 520 0 0 April-May.
Rs. as. p. 4 8 0 Rdy. 17 4 0 "	Rs. as. p. 6 8 0 Rdy.	Rs. as. p. 6 0 0 Rdy. 13 4 0 Forwd.	Rs. as. p. 5 10 0 Rdy. 13 12 0 Forwd.	Rs. as. p. 5 10 0 Rdy. 11 8 0 Forwd.	Rs. as. p. 5 2 0 Rdy. 14 0 0 Forwd.	Rs. as. p. 5 0 0 Forwd. 14 0 0 Rdy. 13 4 0 "	Rs. as. p. 5 0 0 Rdy. 14 8 0 "	Rs. as. p. 5 2 0 Rdy. 14 4 0 "	Rs. as. p. 5 2 0 Rdy. 14 12 0 "	Rs. as. p. 5 2 0 Rdy. 14 8 0 "	Rs. as. p. 5 5 0 Rdy. 16 12 0 "	Rs. as. p. 5 4 0 Rdy. 12 8 0 "	Rs. as. p. 5 2 0 Rdy. 14 4 0 "	Rs. as. p. 5 6 0 Rdy. 13 0 0 "
13 12 0 " 13 8 0 " 13 8 0 "	13 0 0 " 13 8 0 " 13 0 0 "	13 6 0 Rdy. 13 4 0 " 14 8 0 "	12 4 0 Rdy. 10 12 0 " 14 4 0 "	11 10 0 Rdy. 10 8 0 " 14 0 0 "	11 8 0 Rdy. 10 8 0 " 13 12 0 "	11 2 0 " 10 8 0 " 13 12 0 "	11 0 0 " 10 0 0 " 13 4 0 "	13 4 0 " 11 0 0 " 10 4 0 " 13 8 0 "	13 12 0 " 11 8 0 " 10 8 0 " 12 0 0 "	13 10 0 " 11 10 0 " 10 8 0 " 13 8 0 "	18 12 0 " 13 8 0 " 11 12 0 " 12 12 0 "	14 4 0 " 12 8 0 " 12 8 0 " 13 12 0 "	13 8 0 " 13 4 0 " 11 4 0 " 13 12 0 "	13 12 0 " 12 8 0 " 11 8 0 " 13 8 0 "
13 14 0 " 14 0 0 " 14 8 0 " 14 0 0 "	12 4 0 " 13 12 0 " 16 0 0 " 17 8 0 "	11 12 0 " 13 8 0 " 13 12 0 " 17 8 0 "	11 0 0 " 13 0 0 " 15 0 0 " 16 0 0 "	10 8 0 " 13 0 0 " 11 12 0 " 16 0 0 "	10 8 0 " 12 12 0 " 14 8 0 " 14 0 0 "	10 8 0 " 12 8 0 " 14 4 0 " 11 14 0 "	10 2 0 " 12 8 0 " 10 4 0 " 11 12 0 "	10 0 0 " 12 0 0 " 16 4 0 " 12 0 0 "	10 0 0 " 12 0 0 " 14 4 0 " 13 4 0 Forwd. Dec. to Feb.	10 4 0 " 12 0 0 " 16 4 0 " 13 0 0 "	10 12 0 " 12 0 0 " 15 0 0 " 12 12 0 "	11 8 0 " 12 4 0 " 13 0 0 " 12 14 0 "	10 12 0 " 13 6 0 " 13 6 0 " 13 12 0 "	10 12 0 " 12 0 0 " 13 0 0 " 12 8 0 "
10 8 0 " 11 10 0 "	11 8 0 "	10 8 0 " 11 14 0 "	10 0 0 " 11 4 0 "	10 0 0 " 10 12 0 "	10 0 0 " 10 0 0 "	10 0 0 " 10 0 0 "	10 0 0 " 9 4 0 "	10 0 0 " 9 10 0 "	9 12 0 "	10 0 0 " 9 12 0 "	10 0 0 " 9 14 0 "	10 8 0 "	10 0 0 "	9 10 0 "
13 12 0 "	13 0 0 "	13 0 0 "	12 12 0 "	13 10 0 "	12 10 0 "	12 8 0 "	12 8 0 "	12 14 0 "	12 8 0 "	12 4 0 "	12 4 0 "	12 4 0 "	11 8 0 "	12 8 0 "
13 10 "	12 2 0 "	12 8 0 "	12 4 0 "	13 4 0 "	12 8 0 "	12 8 0 "	12 8 0 "	12 8 0 "	12 8 0 "	12 8 0 "	12 8 0 "	12 4 0 "	11 12 0 "	12 0 0 "
s. d. [illegible]	s. d. [illegible] Octo.	s. d. [illegible] Octo.	s. d. [illegible] Octo.	Market quot. s. d. [illegible] Octo.	s. d. [illegible] Nove.	s. d. [illegible] Nove.	s. d. [illegible] Nove.	s. d. [illegible] Nove.	s. d. [illegible] December	s. d. [illegible] Decem.	s. d. [illegible] Decem.	s. d. [illegible] Decem.	s. d. [illegible] Decem.	s. d. [illegible] January
[illegible] October	[illegible] October	[illegible] October	[illegible] October	[illegible] October	[illegible] November	[illegible] November	[illegible] November	[illegible] November	[illegible] November	[illegible] December	[illegible] December	[illegible] December	[illegible] December	[illegible] January
[illegible] December	32 6 November 32 6 " 25 0 Dec. Jan.	30 0 November 30 0 "	27 6 November 30 0 " 35 0 Dec. Jan.	27 6 November 30 0 " 27 5 "	25 0 November 27 6 " 27 6 "	25 0 November 27 6 " 27 6 "	22 9 December 26 3 " 22 6 November	22 6 December 25 0 " 17 6 November	21 3 Dec. Jan. 23 9 " 25 0 "	21 3 December 22 6 " 25 0 Dec. Jan.	20 0 December 23 0 "	19 9 December 21 3 " 25 0 January	18 9 December 21 3 " 23 9 January	20 0 January 22 6 " 23 9 "
Rs. 45 to 50 Yen 40	35 0 36 0 Rs. 45 to 50 Yen 40	Rs. 45 to 50 Yen 40	35 0 35 0 Rs. 45 to 50 Yen 40	20 0 40 0 Rs. 45 to 50 Yen 38	20 0 40 0 Rs. 45 to 50 Yen 40	20 0 40 0 Rs. 30 to 35 Yen 33	20 0 40 0 Rs. 30 to 35 Yen 33	20 0 40 0 Rs. 30 to 35 Yen 32	20 0 40 0 Rs. 30 to 35 Yen 32	20 0 40 0 Rs. 30 to 35 Yen 33	Rs. 37 to 38 Yen 33	20 0 42 0 Rs. 30 to 35 Yen 33	28 9 38 9 Rs. 30 to 35 Yen 34	28 9 38 9 Rs. 30 to 35 Yen 33

5—SHANGHAI

1—JAPAN

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